

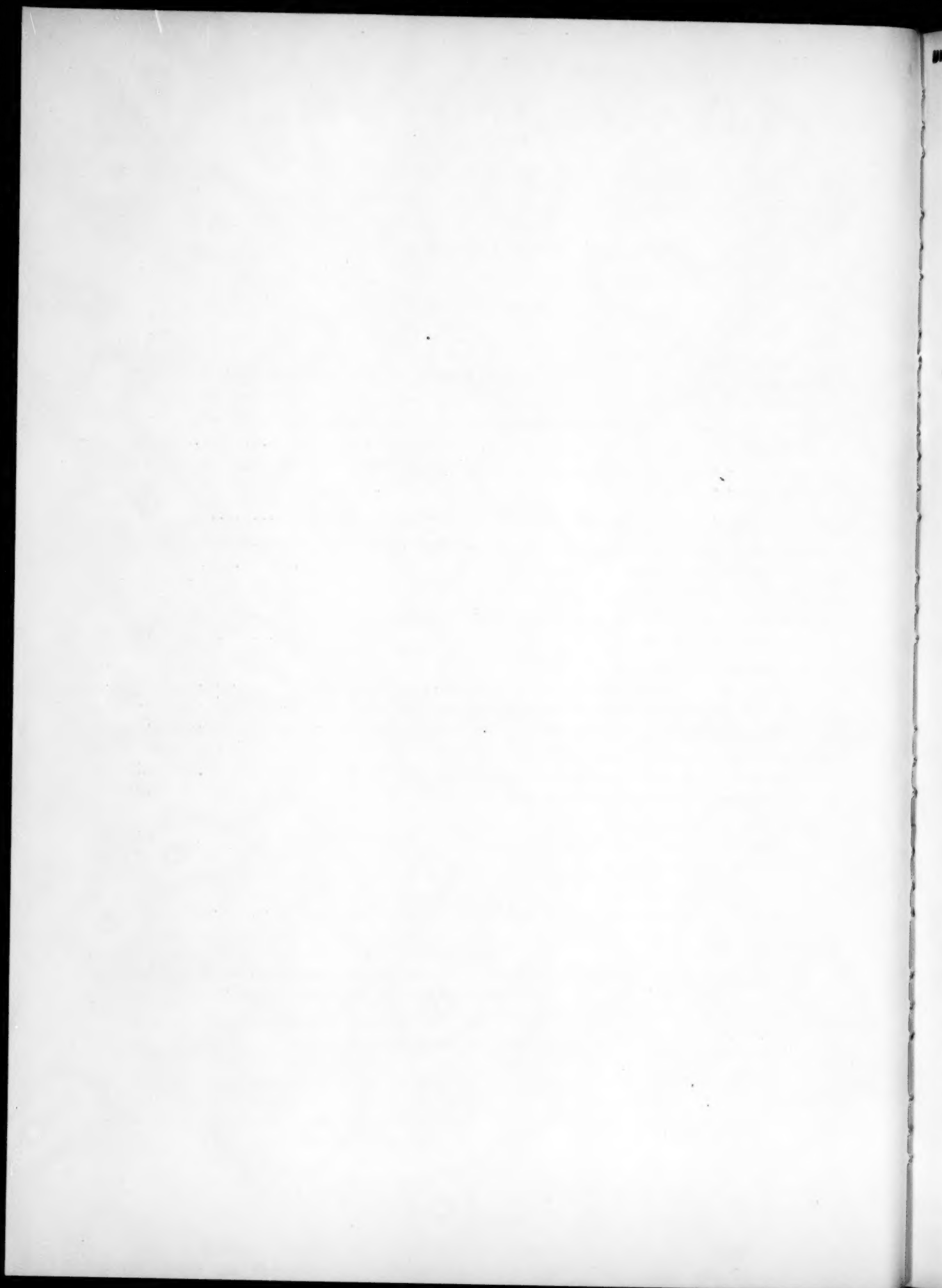
CONTENTS

for

JANUARY 1942

	Page
SOCIAL SECURITY IN REVIEW.....	1
WORKMEN'S COMPENSATION BENEFITS IN THE UNITED STATES, 1939 AND 1940, by Michalina M. Libman.....	6
UNEMPLOYMENT BENEFIT RIGHTS AND BENEFICIARIES IN POLK COUNTY, IOWA, 1938-39, by Homer J. Freeman.....	15
FEDERAL CONTRIBUTORY RETIREMENT SYSTEMS OTHER THAN CIVIL SERVICE, by Ruth Reticker.....	25
FARM LABOR MARKET CONDITIONS, JANUARY TO OCTOBER 15, 1941.....	32
STATE AND REGIONAL DIFFERENCES IN COVERED EMPLOYMENT AND TAXABLE WAGES, 1939, by Herman Slomin.....	35
PUBLIC ASSISTANCE:	
Monthly data on the special types of public assistance, general relief, and Fed- eral work programs.....	45
EMPLOYMENT SECURITY:	
Operations of the employment security program.....	53
Size of benefit payment for total unemployment, third quarter, 1941.....	67
Railroad unemployment insurance.....	72
OLD-AGE AND SURVIVORS INSURANCE:	
Operations under the Social Security Act.....	75
Operations under the Railroad Retirement Act.....	79
SOCIAL AND ECONOMIC DATA:	
Social security and other income payments to individuals.....	82
Financial and economic data.....	87
RECENT PUBLICATIONS:	
Recent publications in the field of social security.....	92

The Social Security Yearbook for 1940, a calendar-year supplement to the Social Security Bulletin, has been published and is on sale by the Superintendent of Documents, U. S. Government Printing Office, Washington, D. C., at 70 cents a copy; remittance must accompany the order. For particulars concerning the contents of the volume, see page 92 of this issue of the Bulletin.



MAR 2 '42

Social Security Bulletin

Volume 5

JANUARY 1942

Number 1

Social Security in Review

EXTENSION OF THE SOCIAL SECURITY PROGRAM was recommended by the President on January 8 in his budget message to Congress for the fiscal year 1942-43. In discussing pay-roll taxes and the social security program the President said:

"I oppose the use of pay-roll taxes as a measure of war finance unless the worker is given his full money's worth in increased social security. From the inception of the social security program in 1935 it has been planned to increase the number of persons covered and to provide protection against hazards not initially included. By expanding the program now, we advance the organic development of our social security system and at the same time contribute to the anti-inflationary program.

"I recommend an increase in the coverage of old-age and survivors insurance, addition of permanent and temporary disability payments and hospitalization and expansion of unemployment compensation in a uniform national system. I suggest that collection of additional contributions be started as soon as possible, to be followed one year later by the operation of the new benefit plans.

"Additional employer and employee contributions will cover increased disbursements over a long period of time. Increased contributions would result in reserves of several billion dollars for post-war contingencies. The present accumulation of these contributions would absorb excess purchasing power. Investment of the additional reserves in bonds of the United States Government would assist in financing the war.

"The existing administrative machinery for collecting pay-roll taxes can function immediately. For this reason congressional consideration might be given to immediate enactment of this proposal, while other necessary measures are being perfected.

"I estimate that the social security trust funds would be increased through the proposed legislation by \$2 billion during the fiscal year 1943."

The President declared that, under existing legislation, Federal grants to match the appropria-

tions for public assistance made by the individual States will increase by \$73 million, and added: "I favor an amendment to the Social Security Act which would modify matching grants to accord with the needs of the various States. Such legislation would probably not affect expenditures substantially during the next fiscal year."

FEDERALIZATION of all State employment services to meet the demands for increased production of war materials was ordered by the President on December 19. In a telegram to the Governors of all States and Territories, the President declared:

"Now that this country is actually at war it is more than ever necessary that we utilize to the fullest possible extent all of the manpower and womanpower of this country to increase our production of war materials. This can only be accomplished by centralizing work recruiting into one agency. At present, as you know, the United States Employment Service consists of fifty separate State and Territorial employment services whose operations are loosely coordinated by the Federal Government. In order that there may be complete responsiveness to the demands of national defense and speedy, uniform, effective action to meet rapidly changing needs, it is essential that all of these separate employment services become a uniformly and of necessity nationally operated employment service. I have, therefore, given instructions to the proper Federal officials that the necessary steps be taken to accomplish this purpose at once. I ask that you likewise instruct the proper officials of your State to transfer to the United States Employment Service all of the present personnel, records, and facilities required for this operation. Inasmuch as the Federal Government is already paying practically one hundred percent of the cost of operation and the State personnel has been recruited on a merit basis, there will be no difficulty in transferring State employees into the Federal service. These employ-

ment offices will continue to serve the unemployment compensation agency so that there will be no need to set up duplicate offices. I shall appreciate your advising me at once of your full cooperation so that the conversion of the present employment service into a truly national service may be accomplished without delay."

The policy guiding the United States Employment Service in assuming full responsibility for operation of all employment service functions was outlined by the Social Security Board in the following statement:

"I. *Reasons for this action.*—The actual declaration of war by the Axis powers upon the United States of America creates unprecedented problems in national defense. The problems, both military and civil, which will obtain during this period require the production of war and civilian materials on an unparalleled scale.

"Success in this production program requires tremendously increased numbers of workers and the program must be subjected to continuing review to determine the effectiveness and economy with which all labor resources are being used. It involves widespread recruitment and training of workers, the transfer of labor among industries, and the movement of workers not only between States but between the major areas of the country as needed for production purposes. It is essential that there be a single centrally directed organization to carry on the program during this period.

"II. *Responsibilities of the United States Employment Service.*—The United States Employment Service carries complete responsibility for the provision and operation of all public employment services in the United States. Appropriate organization is being established to coordinate and direct the activities of employment offices through regional staffs established within the same geographical areas as the twelve regions of the Social Security Board, and through appropriate staffs within each State of the twelve regions.

"The Social Security Board will determine broad policies of the United States Employment Service and will delegate to the latter the responsibility for executing them.

"The functions of the United States Employment Service include:

"A. Continued performance of all employment service functions; and

"B. Continued performance of service functions (specifically claim-taking and related activities, as discussed below) for the State Employment Security Agencies.

"III. *Steps in the process.*—Effectuation of this program involves three basic steps:

"A. Assumption of specific functions and activities, as summarized above under II, by the United States Employment Service;

"B. Induction to the Federal pay roll of virtually all personnel in State agencies now performing the functions as summarized above under II; and

"C. The full use of such premises, equipment and records, facilities and services as are necessary for the operation of the United States Employment Service.

"Basic principles governing the absorption of personnel:

"A. Personnel absorbed by the United States Employment Service will be treated as employees of the Federal Government by the United States Civil Service Commission without further examination being required;

"B. Every effort will be made to expedite the processing of pay rolls and salary checks so as to cause no inconvenience to the new Federal employees;

"C. Negotiations will be made with each of the State governments in an effort to safeguard the rights acquired by State employment service personnel under State pension plans and any other rights to which their services in the State governments may have entitled them;

"D. All employees absorbed by the new Federal organization will be inducted into the Federal service at the salaries and classifications under which they are presently working in the State agencies.

"The personnel to be inducted by the United States Employment Service:

"A. All local office personnel, except those performing decentralized functions of the central office such as:

1. Audit of employer pay rolls;
2. Collection of employer contributions; and
3. Quasi-judicial activities.

"B. All central office staff now reporting to the Employment Service Director, except those primarily concerned with unemployment compensation functions.

"C. All central office personnel engaged exclusively or principally in performing for the employment service such staff services as:

1. Reports and Analysis (Research and Statistics);
2. Informational Service;
3. Staff training on employment service functions;
4. Developing methods and procedures;
5. Business management; and
6. Special additional staff services necessary to the operations of local offices which are occasionally performed at the agency level (occupational information, labor relations, and the like).

"The following basic principles shall govern the provision of necessary facilities by each State Employment Service. Each State will:

"A. Make available to the United States Employment Service such space in the existing State agency central office as is necessary to house the administrative and technical staff of the United States Employment Service in that State;

"B. Provide the United States Employment Service full or part-time use of any equipment needed to perform employment service activities;

"C. Transfer to the United States Employment Service all records essential for the operation of the United States Employment Service;

"D. Make available for use of the United States Employment Service any necessary reference materials;

"E. Furnish the United States Employment Service sufficient quantity of stock and supplies necessary for the performance of employment service operations. This includes existing supplies as well as provision of new stocks of supplies in those circumstances in which it is not feasible for the United States Employment Service to procure them through the Federal Government;

"F. Make available for full occupancy and use all premises now occupied by local offices.

"It is the intent of the United States Employment Service to cause as little disruption as possible in the operations of State Employment Security Agencies by the establishment of the new organization. All efforts will be expended to effect such feasible adjustments in the Employment Security Agencies as are found not to conflict with the appropriate functions, objectives, and efficient administration of the public employ-

ment service and of the State unemployment compensation program.

"The local offices will endeavor to carry on effectively all activities that are essential to the administration of the State unemployment compensation program. To this end they will request from the State Administrator specific advice as to the manner in which the claims taking activities can be carried on in such a way as to facilitate their handling by the State agency.

"IV. *Effective date.*—This policy becomes effective on January 1, 1942. Prior to that time a representative of the United States Employment Service will confer with the appropriate officials of each State Employment Security Agency to effect the necessary adjustment of all mutual problems involved in the establishment of the new service."

The Federal Security Administrator announced on December 31 that without exception the Governors, in replying to the President's request for cooperation, had indicated their willingness to accede to the President's request with respect to operation of the local employment services in their States. Earlier the President had revealed that he had received a pledge of full cooperation from a committee of the Governors Conference and the Council of State Governments.

Mr. McNutt expressed the belief that under the new plan it will be possible to cut to a minimum the hoarding of labor in certain States or areas and remove difficulties which have sometimes interfered with the transfer of workers from one part of the country to another.

Among the immediate problems facing the reorganized employment service, Mr. McNutt added, would be: the transfer of workers displaced because of priorities to plants producing war materials; increased use of qualified workers, both men and women, in groups not yet used in sufficient numbers, including older workers, Negroes, and persons with physical but not necessarily disqualifying handicaps; and more effective utilization of persons already employed, by upgrading and transfers from less essential to more essential jobs.

APPOINTMENT of Lieutenant Colonel Nathaniel A. Burnell, 2d, as Director of Defense Training of the Federal Security Agency was announced on December 30. Colonel Burnell succeeds Lieutenant Colonel Frank J. McSherry, appointed Deputy Director for Labor Supply and Training, Office of

Production Management. The various branches of the Labor Division dealing with labor supply and training will come under Colonel McSherry's direction as he heads up an enlarged organization to meet the expanding needs for manpower in the war industries.

APPOINTMENT OF A NATIONAL LABOR SUPPLY POLICY COMMITTEE, made up of six management and six union leaders, was announced on December 31 by Sidney Hillman, Associate Director General of the Office of Production Management. This committee will be responsible for policies governing mobilization of industrial workers. Arthur S. Flemming, appointed chairman of the Committee, relinquished his duties as chief of the labor supply branch of the Office of Production Management's Labor Division. To succeed him, Mr. Hillman designated John J. Corson, Director of the United States Employment Service and of the Bureau of Employment Security. Through this assignment it will be possible for the labor supply branch and the United States Employment Service to function as a unit, under a single head.

A suggestion that all hiring of industrial workers should be conducted through the offices of the United States Employment Service, or by methods approved by that agency, has been approved by the National Labor Supply Policy Committee and the National Labor Supply Committee, an inter-departmental body of Federal military and labor agencies. This suggestion is part of a proposal to create a labor priorities system which will give war industries first call on skilled craftsmen and end labor pirating and haphazard methods of employment. Considerations underlying the proposal, it was explained, are not so much any present labor shortage as the problem of supply under the enormous program for expanded military effort outlined by the President in his message of January 8 to Congress.

THE FEDERAL ADVISORY COUNCIL FOR EMPLOYMENT SECURITY, meeting in Washington on January 9-10, conferred with Government labor-supply officials on measures necessary to achieve the maximum use of labor for war production. The fifty-member Council, appointed by the Social Security Board, is composed of representatives of employers, employees, and the public. In announcing the meeting, the Administrator of the

Federal Security Agency called attention to the fact that the recommendations made by the Council at its last meeting in June 1940, when the defense program was just starting, had formed the basis for Government policies in recruiting and training workers. Now, he added, such policies must be reexamined and augmented, if necessary, to assure an adequate supply of trained workers for the country's greatly expanded goals for industrial and agricultural production.

EMPLOYMENT SECURITY operations in November continued to reflect the combination of intensive war production and unemployment arising from priorities, curtailment of consumer goods, and temporary lay-offs in plants converting to war production; operations were also affected by normal seasonal factors and fewer working days in the month.

Fewer placements were made by public employment offices than in any other month since March, although the number was 12 percent more than that for November 1940. The decline from October was shared by all States. As a group, however, the 15 States which have received the largest volume of war contracts maintained their daily rate of placements at about the October level. The active file of 4.2 million registrants at the end of November was 7 percent less than the figure for the same month last year.

Although the amount of unemployment compensation payments declined to a new low of \$21.1 million in November, the number of recipients increased for the first time since the middle of 1941. Among the 30 States in which the amount of payments rose in November were 9 of the major war-industry States. For the first time since July, there was a slight increase from the previous month in the total number of continued claims received.

UNDER THE OLD-AGE AND SURVIVORS INSURANCE PROGRAM, the number of monthly benefits in force continued to increase, and the November total of 466,000 was almost 4 percent greater than the number in force at the end of October. The amount of payments in force on November 30 was \$8.5 million, an increase of almost 4 percent from October. For the first time since February the proportion of all benefits which were in conditional-payment status declined from the pre-

vious month, although the actual number was greater than the October figure. The number of primary benefits continued to decline as a proportion of all monthly benefits in force; they constituted 48 percent of the total at the end of November, 52 percent in December 1940.

TOTAL EXPENDITURES of \$160.4 million in November for public assistance in the continental United States and for earnings under the several Federal work programs were slightly less than the total for October; they represented, however, a 23-percent drop from expenditures in November 1940. Payments are estimated to have benefited 10.3 million persons in 4.1 million households; these figures also represent decreases of 30 and 22 percent, respectively, from the number of beneficiaries in November 1940. General relief payments were 37 percent less than payments a year ago. Amounts expended for the special types of public assistance, on the other hand, showed an increase of 13 percent for the same period.

THE CONNECTICUT PLAN for aid to dependent children, superseding the State-operated widows'-aid program as of December 1, 1941, was approved by the Social Security Board on December 24. The Board certified a Federal grant of \$21,739.50 to match State expenditures for administration and assistance payments for the month of December. A grant of \$82,392.50 for expenditures for administration and assistance for the quarter January-March 1942 was also approved by the Board. Under the new plan the State expects to be making payments to about 5,000 children by the end of June 1942. No maximum limits on assistance payments have been set. The new plan will be administered by the Commissioner of Welfare through a newly established Division of Public Assistance which will integrate administration of all three public assistance programs in the State. Approval of the Connecticut plan brings to 43 the number of jurisdictions operating all three of the special types of public assistance.

Workmen's Compensation Benefits in the United States, 1939 and 1940

MICHALINA M. LIBMAN*

OF THE MANY RISKS confronting industrial wage earners, the hazard of injury or death arising in the course of employment was the first to be covered on a large scale by social insurance. Before the establishment of workmen's compensation legislation, employers' liability—the general legal principle of liability based on common law—gave the injured workman the right to recover damages if he could establish through proper evidence the fact that the injury was due to the negligence of the employer or his agent. The common-law defenses of the employer are based on three general considerations: the employer is not liable for any injury which is caused by the negligence of a fellow servant; the employee assumes the natural and ordinary risks incident to his employment; and any contribution to the accident by negligence on the part of the employee, regardless of the fault of the employer, precludes recovery by the employee. In workmen's compensation the right of the worker to sue is replaced by the promise of scheduled benefits obtained through a simplified administrative procedure and is based on the facts of employment and the work-connection of the injury, without demonstration of fault. Workmen's compensation benefits are stipulated by law, rather than determined by the employer or by court action, and bear a relationship to the loss of earning power suffered by the worker.

Although workmen's compensation was among the earliest of the social insurances to be developed in the United States, there are no comparable Nation-wide statistics of the number of persons receiving workmen's compensation benefits or of the aggregate amount of such payments. This information is important as providing some indication of the extent of the protection afforded by workmen's compensation and of the relative magnitude of the total payments to individuals under this as compared with other social insurance and social security programs.

To make possible such analysis, the aggregate amounts of workmen's compensation payments in 1939 and 1940 have been estimated. The figures of \$236.5 million for payments in 1939 and \$257.0 million in 1940 are comparable with payments under other social insurance and related programs presented regularly in the Bulletin. As is explained in detail later, more than four-fifths of the amounts included in the estimated total represent reported data, and the probable error in the estimated portion of the total is very small. It is not possible to present similar estimates of the total number of beneficiaries. While evaluation of the character and adequacy of the social insurance protection afforded by existing workmen's compensation laws would require detailed study of many other factors, such as the range of weekly benefit amounts and the duration of benefit payments for individual workers, the over-all figures do provide basic data necessary for any evaluation. The significance of the total amounts of workmen's compensation paid to workers may be illuminated also by a brief consideration of the nature and major provisions of the workmen's compensation laws.

In 1941, workmen's compensation laws were operative in all States except Mississippi. The first of these State laws was enacted in 1911, the most recent went into effect on December 5, 1940. The forerunner of all these State laws, however, was a Federal statute, effective in 1908, which covers employees of the Federal Government; another Federal act covers longshoremen and harbor workers; and a third applies to workers in the District of Columbia. Thus, within the continental United States, there are 50 independent laws, no two of which are alike in all major particulars.¹ Although all are based on the principle of compensation without regard to fault, the enactment of a different law in each jurisdiction and its repeated subsequent amendment has resulted in a multitude

¹ A brief analysis of the principal features of workmen's compensation laws as of July 1, 1940, containing ample State references, may be found in Dawson, Marshall, *Problems of Workmen's Compensation Administration*, . . . U. S. Department of Labor, Bulletin No. 672, 1940, pp. 192-220.

*Bureau of Research and Statistics, Division of Coordination Studies.

of variations. Railroad employees engaged in interstate commerce do not come under State jurisdiction; the Federal Employees' Liability Act, which provides a basis for recovery of compensation by injured railroad workers, is not regarded as workmen's compensation because of the necessity of court action.

Coverage

Although some workmen's compensation laws are far more inclusive than others in their coverage provisions, none undertakes to cover all employments. Among the most usual exemptions are domestic service, agricultural employment, and casual labor. Some States limit coverage to workers in hazardous occupations, either by listing the specific industries or occupations or by general definition. About half the laws specify the minimum number of employees an employer must have to be subject to the statute; in some of the States these numerical exemptions apply to all included employment, in others only to nonhazardous.

Workmen's compensation laws may be classified as compulsory or elective, depending on the degree of constraint to which included employers are subjected to accept the compensation provisions. Under a compulsory system the employer must accept the act and pay the compensation specified. An elective system allows the employer to accept or reject the provisions of the act; if he rejects he is usually penalized by being subject to suit with the customary common-law defense abrogated. Employers electing to accept the compensation act are generally exempt from damage suits. Some laws provide for compulsory compensation with respect to some or all public employment and voluntary compensation for private employment; others make compensation compulsory for some of the private employment and elective with respect to public employment. In 15 States, compulsory compensation applies to various segments of both public and private employment.

The employee also has the right to accept or reject coverage under the provisions of the act in some States. If an employee rejects the compensation system and sues an employer who has accepted it, the employer usually retains the customary common-law defenses.

Most States permit voluntary acceptance of workmen's compensation by nonsubject employers

or by joint election of employer and employee in exempted classes, but the employer loses no rights or defenses if he does not accept. If a worker in an excluded employment is injured, he has the right to sue, with the customary defenses on both sides. The chances of favorable settlement or decision, however, are probably enhanced by the existence of the workmen's compensation laws.

Unlike other social insurance systems, workmen's compensation does not require the worker to build up rights either by contributions or length of employment. The laws cover injuries to workers in subject employment regardless of the individual's length of service, regularity of employment, or wages earned. Since coverage is determined by exposure to risk, as defined by each law, and varies with each unit of employment, there are no available statistics of the number of persons receiving such protection. The most usual measures of coverage, where available, are pay rolls and man-hours worked. Since election into and out of the system may be made at almost any time under most elective laws and nonsubject employers may elect in, or having been in, drop such election, the count of employees is made difficult by the change in status of employers as well as by the changes in the numbers of their employees. Rough estimates indicate a range of coverage at any given time from somewhat more than half the employees in some States to less than one-fourth in others.

Compensable Injuries

No workmen's compensation system holds the employer liable for every injury received by his employees, and the inclusiveness of compensable injuries also varies greatly in the several systems. The usual statutory provision is that the injury shall be one "arising out of and in the course of employment," with the additional limitation in most States that it is not due to the employee's intoxication, willful misconduct, or gross negligence. Many systems limit the injury to what is commonly known as an accident and thus exclude occupational diseases which usually develop from continued or extended exposure to industrial health hazards. Some State laws have specific provisions for occupational disease; in a few States the term "injury" has been interpreted to include occupational disease. Twenty States do not cover any occupational disease. In addition, cash compensa-

tion is limited in all but one State to injuries lasting more than a specified number of days, known as the waiting period. The waiting period ranges from 1 to 14 days in the several States; there is a provision in 33 laws that, if the disability lasts for a specified period considerably in excess of the waiting period, compensation is payable from the date of the injury.

Benefit Payments

The benefits under workmen's compensation are of two types: cash to compensate in part for wage losses, and provisions for medical care. Most States also provide for funeral benefits in case of death. When a disability extends beyond the statutory waiting period, compensation is both in money and in medical service; for shorter periods, compensation is in the form of medical treatment alone. Medical and surgical service, hospitalization, artificial limbs, allowances for attendants, and fees for expert medical testimony are the major items usually included in medical care. Almost all laws place the costs of medical care on the employer.

Disability is not defined uniformly in workmen's compensation laws and has been subject to varying interpretations. In most States the term is limited to occupational disability, that is, inability to earn wages, or the full wage, at work in which the worker was engaged at the time of the injury. In other States it has been interpreted as general inability to perform any kind of work which might be obtainable. In addition, most States provide indemnity payments for specific injuries whether or not the worker is able to return to his customary or other employment within a relatively short time. In some States these payments are made in lump sums, in others, on a continuing basis.

Cash-benefit provisions differ not only among the several States but also for the various types of disability compensated under a single system. Each of the four general classes of disability—death,² total disability for life, partial permanent disability, total disability for a temporary period—generally has a separate scale of benefits. Some States provide, in addition, compensation for temporary-partial disability; a few, extra com-

pensation for disfigurement. The classes of disability are not mutually exclusive with respect to a single injury, for death will often be preceded by a period of total disability, as will most permanent-partial disabilities.

In most States the compensation scale is based on the loss of earning power of the injured workman, measured in terms of a prescribed percentage of wages earned and subject, in all but two States, to maximum and minimum limitations. Three States have based their compensation on the number of dependents rather than on the worker's earning capacity, and some modify the percentage system to take into account marital status and number of children. A number of States provide fixed sums for certain injuries but apply the percentage system to all others.

In all but three States, compensation for loss of wages or earning capacity is based on a percentage of earnings, usually the full-time wages of the injured worker. The benefit scale varies from 50 to 70 percent of wages subject to the maximum limitation; the most usual percentage is 66%. The maximum weekly benefit for total disability is between \$15 and \$20 in almost all States. The minimum in many States is \$5 or the actual wage, whichever is less; one State specifies \$3 per week or the actual wage. The amount of compensation is also commonly limited by a prescribed maximum period for which benefits may be paid, or a total maximum amount; for example, 260 weeks or \$3,000, respectively, or a combination of such limitations. On the other hand, 7 States provide periodic death benefits until the widow dies or remarries; 17 provide life-long benefits for permanent-total disability. Specific schedules covering benefits in permanent-partial disabilities to compensate for loss, or loss of use, of a member in addition to compensation for the accompanying healing period are common.

Medical Care

There is also considerable variation in the amount and type of medical services authorized by the State laws. Fourteen jurisdictions set no specified limit on the time for or amount of medical care. Thirteen limit both amount and time, although six of these provide additional services in special cases or at the discretion of the State workmen's compensation commissioner.

² The Oklahoma workmen's compensation law does not provide compensation for death, because of a constitutional provision that the right of action to recover damages for injuries resulting in death may not be abrogated and the amount recoverable shall not be subject to statutory limitations.

The other States limit either time or amount. Some States provide artificial limbs or other appliances as needed; a few pay extra compensation for necessary attendants.

Insuring the Risk

Since compensation, in contrast to lump-sum payments collected from damage suits, often involves the periodic payment of benefits over a number of years, security for the payment of compensation is required in all States but one. Such security is usually furnished in the form of insurance with a carrier or proof of the employer's financial ability. The bulk of insurance is written by private casualty insurance companies along with other types of casualty insurance; 7 States have exclusive State funds, which permit no private insurance company to participate; and 11 operate competitive insurance systems which are limited to workmen's compensation. Most States also authorize what is known as self-insurance. Large employers, on proof of financial responsibility, may carry their own industrial risks, usually pledging securities to cover the future compensation claims of their employees. In most States, self-insurers are permitted to reinsure against large losses. Liable employers who fail to provide insurance or qualify as self-insurers are known as noninsurers. In order to obtain any benefits from such an employer, the injured workman or the State agency in his behalf usually has to sue, with little chance of collecting the amount due under the law.

The various State laws provide almost every possible combination of methods of insuring. Although most States permit private insurance and self-insurance, two States allow only insurance through private casualty companies. Two of the seven States with exclusive funds permit self-insurance. In the eleven States with competitive State funds, insurance by all three methods is practiced.

Compensation payments are made directly to the worker or survivor by the insurer. To assure payment in accordance with the statute and with minimum delay, penalties are prescribed for unwarranted delays, and costs are assessed against the employer in cases which he contests unsuccessfully. In many jurisdictions, prompt payment is encouraged by allowing payments to be made to

workers or survivors prior to administrative action on the part of the State agency.

Medical benefits are provided as services paid by the insurer or employer. The usual methods of securing the services are payment by the insurer to the individual physician or hospital for specific service rendered; services rendered in workmen's compensation cases by doctors or hospitals maintained by the employer for general employee welfare; and medical aid furnished by workmen's compensation clinics, usually operated on the basis of contracts with employers or insurers. The first method is most commonly used by State funds and private insurance companies whose policies cover both medical aid and compensation. The second and third methods are used chiefly by self-insurers or by employers whose workmen's compensation insurance policies are limited to cash compensation (so-called ex-medical policies); as such, the methods represent self-insurance for medical-aid purposes. If the employer who provides medical care for workmen's compensation cases through his own clinic or hospital also carries full insurance, he is reimbursed by the insurance company for such services.

Almost all the workmen's compensation laws provide for an administrative agency, usually in the form of a commission, responsible for the operation of the system as well as for protecting the rights of the claimant. Moreover, four of the six States with court administration requiring court action in each claim filed have delegated some degree of supervision to an administrative agency. Reports of accidents, particularly those causing injuries which outlast the waiting period, are generally required. These reports may come directly from the employer or indirectly through the insurer. Claim procedures are simplified through standardized forms. The agency usually determines or approves the facts relating to the employer-employee relationship, the extent of the injury and whether it arose out of or in the course of employment, and the amount of compensation due. Provision is generally made for appeals from administrative decisions and recourse to court action by either party. While a wide latitude is generally allowed the employer, insurer, or employee as to methods of initiating payments with or without a formal claim, the agency usually has the right to review such actions, either after payments have begun or after they have termi-

nated, and to approve medical bills as well as the amount of compensation. Changes in determination of the extent of the disability are made or approved by the agency. The responsibility of the agency continues throughout the time for which periodic payments are due and covers any commutation of such continued payments into lump sums.

In addition to the quasi-judicial functions involved in settling claims, the State agencies are charged with the supervision of the insurance provisions of the workmen's compensation laws. Employers who wish to qualify as self-insurers must satisfy the agency's requirements as to financial status and pledged securities. In some States, included employers are compelled to show proof of insurance, and the agency may make periodic efforts to force noncomplying employers to obtain insurance. Although the insurance commissioner in each State is ordinarily responsible for the reports of financial transactions of insurance companies within the State, many workmen's compensation agencies also supervise the contract provisions of the companies, their rate structure, and the methods of claim adjustment. To safeguard against loss to the employee because of insolvency of an insurance carrier, a surety fund established by insurance companies is required by a few States. Some State laws provide that, at the discretion of the commission or in specified cases, the total compensation due in fatal or permanent-total disability cases shall be deposited with a trustee in order to protect the claimant. Although most of the laws place on the employer the primary liability for compensation, the insurance companies practically assume the immediate responsibility of their policyholders in making direct payments to injured workers and providing medical benefits. Competitive State funds function in a fashion similar to that of private carriers. Claims of employees of noninsured employers may be pressed by the agency in behalf of the claimant.

In order to relieve the employer of the cumulative compensation burden when a previously disabled worker suffers a later permanent disability, provision is made for so-called second-injury cases. Many States hold the last employer responsible only for compensation attributable to the second injury. Since the cumulative effect on the employee of such disablements may be

disproportionately greater than the compensation afforded by this method, some laws have created a second-injury fund, which provides compensation for the worker on the basis of his total disability. The second employer is liable only for medical benefits and a prescribed amount of compensation restricted to the second injury. The fund, administered by the State agency, may be financed in several ways by all employers or insurers; a common method is to turn over to the fund the specified sums awarded in death cases where there are no surviving dependents.

States with exclusive funds usually have one agency to handle both the fund and the administration of the workmen's compensation act. Such administrative agencies are responsible not only for safeguarding the rights of the worker but also for enforcing the insurance of the employer. Contributions to the funds are in the nature of insurance premiums, at rates determined by the agency. Accident reports must be filed by the employer with the agency, and claims must be filed by the injured worker before payments can begin. The arrangements for payment for medical aid are similar to those in other States. A few exclusive funds also issue ex-medical policies.

Amounts of Benefits

Statistics of workmen's compensation benefit payments are presented in several different ways. Among the more conventional units of count are: (1) the amounts awarded within a specified period—that is, the amount determined as the total payment due on a claim, including in most cases payments already made; (2) the "losses incurred" (discounted value of amounts awarded) under policies written during a calendar year; (3) the "amounts paid in cases closed by final settlement" within a specified period; and (4) the amounts paid within a specified period to all persons receiving benefits during that period. The first three of these classifications are administrative in nature; the second is most frequently used in connection with rate making. The fourth classification is the only concept of benefit payments which relates to the amount of income currently derived by workers from workmen's compensation, and as such is analogous to statistics of benefits paid under unemployment insurance and old-age and survivors insurance, and other social insurance or retirement systems.

The amounts of workmen's compensation paid to individuals may occasionally differ from the compensation specified in the workmen's compensation act. When the right to recover under the workmen's compensation act is doubtful or the amount of compensation due is questionable, many States permit the parties to make compromise settlements in order to avoid litigation and provide some compensation for the injured worker. When the award for compensation is in default, usually because of noninsurance, a compromise settlement may lead to the recovery of at least a part of the amount due. On the other hand, an employer or insurer may occasionally make some payments to workers whose claims are subsequently denied by the State agency as not being compensable under the law. Such payments are relatively insignificant in number and amount.

Although workmen's compensation has been in operation for more than 25 years, no comparable Nation-wide statistics are available of the number of persons receiving benefits or the amount of benefits paid in the States. The data in the reports of the State compensation agencies lack comparability in that some are issued for calendar, others for fiscal, years; the inclusiveness of the data for the several States differ in that medical aid and occupational disease may or may not be included; and the bases for reporting benefits vary. However, each State report probably presents more nearly complete and detailed data for its own jurisdiction than any other source. The lack of uniform or comparable benefit statistics results partly from the circumstance that workmen's compensation developed on a State basis, and partly from the fact that up to this time the agencies have emphasized administration and accident prevention and paid relatively little attention to measuring and evaluating the insurance protection afforded.

Since each of the State insurance departments requires a standardized annual report from each casualty insurance company doing business in its jurisdiction, it is possible to get comparable benefit data for insurance companies. All private companies and a few competitive State funds are required to file the report. Two of the items in the reports—the amount of workmen's compensation net premiums written and the net losses paid during the year—are compiled from these reports and published annually by the Chilton

Company in the *Spectator*.² The net losses paid represent the net amount of compensation and medical benefits paid by private insurance carriers and some of the competitive funds during a calendar year.

By utilizing both State data and those published in the *Spectator*, it is possible to derive estimates of workmen's compensation payments in the United States. These estimates, for 1939 and 1940, which are presented in table 1, by State in which payment was made and by type of insurance carrier, include both cash compensation and medical aid. Payments by private insurance companies and some of the competitive State funds are the net losses as reported in the *Spectator*; payments by the other competitive funds and by the exclusive funds are the net disbursements calculated from the financial statement of each fund; payments made by self-insurers were estimated from available State data. No attempt has been made to estimate the number of beneficiaries or to separate the amounts into their component parts of compensation and medical payments. The limitations of the data used in making the estimates are such that the resultant totals tend to be somewhat conservative.

An accurate and complete estimate of workmen's compensation benefit payments should include the value of all medical aid, no matter how financed, and compensation paid directly to the worker by all insurance carriers, including State funds and self-insurers, and amounts paid by noninsurers, as well as disbursements from such special funds as second-injury, rehabilitation, and security funds. Workmen's compensation benefits properly include payments made to persons covered by the law and by voluntary election, but exclude payments made because of employer liability of electing-out employers.

The data on insurance losses paid by private companies, as reported in the *Spectator*, are substantially complete for the amounts paid during the year by insurance carriers on policies issued by them. Medical aid is included, whether paid for directly for each case or paid in a lump sum to an insurer for the compensation costs of his clinic.

The data in the *Spectator* are net for each reporting company; deductions are made from total

² The Insurance Year Book . . . Casualty, Surety and Miscellaneous, annual issues.

losses for "salvage"—recovery by the company against amounts paid out in losses—and for "re-insurance" recovered on losses paid under policies reinsured with other companies. Most payments made by the reinsuring companies are included in the total, since these companies, with the excep-

tion of Lloyd's of London, which carries primarily catastrophe insurance, also report. Third-party recovery payments, made under another company's workmen's compensation policy, are also included in the total. The amount recovered by carriers from third parties who are not also car-

Table 1.—Estimated workmen's compensation payments, by State, 1939, 1940¹

[In thousands]

State	1939				1940			
	Total benefit payments	Insurance losses paid, private insurance carriers ²	State fund net disbursements ³	Self-insurance payments ⁴	Total benefit payments	Insurance losses paid, private insurance carriers ²	State fund net disbursements ³	Self-insurance payments ⁴
Total.....	\$236,491	\$122,182	\$68,604	\$45,705	\$257,034	\$134,639	\$72,634	\$49,761
Alabama.....	1,001	684	—	317	1,054	720	—	334
Arizona ⁵	1,471	55	1,354	62	1,471	55	1,354	62
Arkansas.....	3	3	—	—	23	23	—	—
California.....	17,922	8,891	4,895	4,136	20,341	10,247	5,400	4,694
Colorado.....	2,497	539	1,189	769	2,490	553	1,170	767
Connecticut.....	2,967	2,523	—	444	3,501	2,976	—	525
Delaware.....	275	211	—	64	323	248	—	75
District of Columbia.....	1,509	1,161	—	348	1,741	1,339	—	402
Florida.....	1,616	1,405	—	211	1,915	1,665	—	250
Georgia.....	1,271	934	—	337	1,612	1,185	—	427
Idaho.....	1,068	126	656	286	1,216	183	705	328
Illinois.....	12,463	8,966	—	3,497	14,785	10,637	—	4,148
Indiana.....	3,436	2,643	—	793	3,858	2,967	—	891
Iowa.....	1,874	1,465	43	366	1,922	1,496	52	374
Kansas.....	1,572	1,128	—	444	1,587	1,139	—	448
Kentucky.....	3,282	1,332	—	1,950	3,318	1,347	—	1,971
Louisiana.....	3,234	2,461	—	773	3,434	2,613	—	821
Maine.....	976	820	—	156	992	833	—	159
Maryland.....	2,532	1,481	587	464	2,712	1,702	504	506
Massachusetts.....	7,096	6,764	—	332	7,404	7,144	—	350
Michigan.....	7,935	4,616	892	2,427	8,643	5,006	993	2,644
Minnesota.....	3,641	2,743	75	823	3,903	2,944	75	884
Mississippi.....	21	21	—	—	11	11	—	—
Missouri.....	3,856	2,983	—	873	4,033	3,120	—	913
Montana.....	1,727	157	1,159	411	2,093	185	1,210	698
Nebraska.....	1,027	914	—	113	1,025	912	—	113
Nevada.....	677	—	624	53	827	—	761	66
New Hampshire.....	572	561	—	11	704	690	—	14
New Jersey.....	11,242	8,648	—	2,594	12,700	9,769	—	2,931
New Mexico.....	359	276	—	83	580	446	—	134
New York.....	47,497	27,858	11,851	7,788	51,252	30,077	12,772	8,403
North Carolina.....	1,848	1,431	—	417	1,988	1,539	—	449
North Dakota.....	551	—	551	—	597	—	597	—
Ohio.....	16,498	36	14,439	2,023	17,055	45	14,920	2,090
Oklahoma.....	3,104	2,009	364	731	3,394	2,253	411	730
Oregon ⁶	4,273	65	4,208	—	4,273	65	4,208	—
Pennsylvania.....	20,789	9,849	3,292	7,648	21,293	10,489	2,071	7,833
Rhode Island.....	1,000	890	—	110	1,153	1,027	—	126
South Carolina.....	1,015	781	—	234	1,235	950	—	285
South Dakota.....	255	193	4	58	278	210	5	63
Tennessee.....	1,368	1,041	—	327	1,527	1,123	—	404
Texas.....	7,314	7,314	—	—	8,124	8,124	—	—
Utah.....	1,090	204	696	190	1,109	222	689	198
Vermont.....	304	294	—	10	362	351	—	11
Virginia.....	2,246	1,415	—	831	2,409	1,556	—	913
Washington.....	5,053	95	4,234	724	5,576	80	4,759	737
West Virginia.....	5,174	6	5,074	94	5,756	1	5,608	147
Wisconsin.....	5,572	4,189	—	1,383	5,815	4,372	—	1,443
Wyoming.....	525	1	524	—	422	(7)	422	—
Federal employees.....	11,893	—	11,893	—	13,048	—	13,048	—

¹ Data for calendar years, except for Montana, Nevada, North Dakota, Oregon, West Virginia, and the United States employees, where fiscal years ending in 1939 and 1940 were used. State fund net disbursements of Utah and Maryland are also on this basis. Benefit payments made under the Longshoremen's and Harbor Workers' Compensation Act are included in the States in which the payments are made.

² From *The Spectator, The Insurance Year Book Casualty, Surety and Miscellaneous*, 68th and 69th annual issues, except for Arizona and Montana, for which such data were provided by the State agency; represents net amounts of cash and medical benefits paid by private insurance carriers under standard workmen's compensation policies.

³ Compiled from State data except for California, Colorado, Michigan, New York, and Pennsylvania, which are published in the *Spectator*; represents net amount of cash and medical benefits paid by State funds.

⁴ Estimated from available State data; represents amounts of cash and medical benefits paid by self-insurers plus amounts of medical benefits paid by employers carrying ex-medical policies.

⁵ 1939 estimate used for 1940 since no later data are available.

⁶ Data for the period July 1, 1939–June 30, 1940, were used for both 1939 and 1940 since comparable data for the year ending June 30, 1939, are not available.

⁷ Less than \$500.

riers is relatively small, and its omission does not significantly affect the total. If the State-fund operations, where the amount of third-party recoveries is reported, are typical, the whole volume of third-party recoveries may be considered insignificant.

When insurance companies are required to make payments into special funds, such as fixed amounts in death cases in which there is no beneficiary or the commuted value of awards in fatal and serious disability cases, such payments are reported as losses paid by the insurance companies and are included in the *Spectator* data. While these amounts will not be paid to beneficiaries until subsequent years, they are offset by the omission of the amounts paid out of the special funds in the specified year. The amounts involved in both instances are small, and the resultant net error in total benefits is even less.

Small amounts of benefits paid are reported by the *Spectator* for States whose workmen's compensation laws do not permit private insurance; for Mississippi, which has no workmen's compensation law; and for Arkansas, whose law was inoperative until December 5, 1940. These amounts represent both voluntary insurance on excluded employments and payments made to employees working in these States on behalf of employers with headquarters in another State.

The standard policy issued by insurance companies for workmen's compensation covers both the risks included by the law and the employer-liability for workers not so included. This combined protection is given both to subject employers and to employers who voluntarily elect to insure their workers. All payments made under this type of policy, whether workmen's compensation or employer-liability, are reported as workmen's compensation payments by the insurance companies and the *Spectator* and are not separable. The volume of employer-liability payments included in the *Spectator* compilation is probably very small. Losses arising under regular employer-liability policies are accounted for separately and are not reported as workmen's compensation payments.

Except for the five competitive State funds included in the *Spectator* compilation, data for State funds were obtained from the State reports and were adjusted to a net-disbursement basis similar to that used in the *Spectator*. A minor element of noncomparability is introduced by the

fact that some of the State funds operate and report on a fiscal-year basis. The amount of benefits paid includes compensation and the cost of all medical care provided by the State funds but excludes the value of medical aid provided by the employer who has an ex-medical policy. Since each exclusive State fund is managed as a unit, even though parts of the fund may be segregated for bookkeeping purposes, there is no statistical problem of payments into and out of special funds, and disbursements represent payments to recipients. Workmen's compensation payments made to State employees from special funds or by separate appropriation are listed in the table as State-fund disbursements, although these funds do not cover other groups.

Self-insurance payments include not only the compensation and medical benefits paid by employers qualifying as self-insurers but also the amount of medical aid provided by insured employers with ex-medical policies. With only two State agencies reporting the amount of payments by self-insurers, it is necessary to estimate these payments for the other States. These estimates are based on State-agency data of the ratio of self-insurance payments to payments made by insurers, whether measured in terms of benefits paid in cases closed by final payments, amounts of awards, the number of claims or reported accidents, or the amount of pay rolls. The ratio so derived for each State was applied to the insurance payments for the State to obtain the estimate of payments by self-insurers for the corresponding year. Opportunity was given each State agency to review the estimate made and to recommend revisions. For seven States in which no other ratio was available, the average (mode) for the reported group was used. Since the estimated self-insurance payments for these seven States amount to about 2.4 percent of the total workmen's compensation payments for the United States, the error arising from this method of estimating is insignificant for the total.

To the amount of estimated workmen's compensation payments by self-insurers was added the value of medical benefits paid by insurers with ex-medical policies for most of the States in which this practice is known to be prevalent and for which some data were available. For the 12 States for which this item was reported or estimated, the adjustment amounted to 2 percent

of their total workmen's compensation payments. Two States which are commonly regarded as having this type of arrangement reported that they had no ex-medical policies for the period under review, and one State reported that the practice was being abolished as of July 1, 1941. The total amount of estimated self-insurance payments is therefore understated by the value of such medical benefits in the few remaining States for which no basis of estimating was feasible. This understatement is considerably less than 1 percent of the total.

Noncompliance of employers exists in practically every State except the few where compensation applies only to employers who elect by the act of insuring or by qualifying as a self-insurer. Although the number of noninsurers may be moderately large, most of them are small employers. Moreover, only a small proportion of noninsurers are financially able to pay benefits. While payments made to injured workers of noninsurers are properly a part of the total workmen's compensation payments, few States report such payments and more nearly comparable estimates for the several States are possible by omitting this factor for all of them. The resulting understatement is believed to be small. Available data on noninsurers for the States reporting indicate that, whereas the awards made to employees of noninsurers may range from 1 to 8 percent of the awards made to employees of insurers, the payments made by noninsurers amounted to less than 1 percent of similar payments made by insurers.

Total workmen's compensation payments for the United States are estimated at \$236.5 million for 1939 and \$257.0 million for 1940. In both years about 52 percent of these payments were made by private insurance carriers, 29 percent by State funds, and 19 percent by self-insurers. Three factors account for the increase in payments from 1939 to 1940. The acceleration of business activities during the period primarily affects temporary cases; the increasing maturity of the systems affects payments for death or permanent disability; and the liberalization of legal provisions affects the general level of payments.

The increase in employment and in wage rates in 1940 as compared with 1939 is reflected in both the number of cases and amounts of benefits paid for medical aid and for temporary disability compensation. The vast majority of workmen's

compensation cases are of short duration. For the United States, medical benefits and temporary disability compensation, the bulk of which relate to accidents occurring during the year, account for more than half the total payments, although the proportions vary somewhat from State to State. However, as the workmen's compensation systems mature, payments made in permanent disability and fatal cases tend to increase; although such cases are relatively few each year, the number receiving benefits is cumulative. Some States are even now paying benefits on accidents which occurred as much as 25 years ago. This factor is, of course, less important in States limiting the duration of payments to a few years. The enactment within the past two decades of State workmen's compensation legislation increasing total coverage, and liberalization of amounts and duration of compensation and medical benefits in some States, have resulted in an increase in aggregate payments for both temporary and permanent disability cases.

The importance of workmen's compensation as social insurance may be seen by comparing workmen's compensation payments with payments under other social insurance programs. In 1939, unemployment insurance payments, including those under State unemployment compensation laws and the Railroad Unemployment Insurance Act, amounted to \$436 million; total retirement and survivors insurance payments under the Social Security Act, the Railroad Retirement Act, and the Civil Service Commission were \$188 million; and workmen's compensation payments totaled \$236 million. Comparable payments for these programs in 1940 were \$536 million, \$227 million, and \$257 million, respectively.

In spite of the magnitude of the estimated workmen's compensation payments, it is pertinent to point out that aggregate payments made to injured workers exceeded the amounts presented here. Payments under employer's-liability may be made to workers not covered by workmen's compensation; and workers may be carried on the employer's pay roll for part or all of a period of disability in lieu of receiving smaller benefits under the workmen's compensation system. Data are not available for estimating these amounts which, while not workmen's compensation benefits, nevertheless represent payments for the same risks as those covered by the compensation systems.

Unemployment Benefit Rights and Beneficiaries in Polk County, Iowa, 1938-39

HOMER J. FREEMAN*

Dislocations due to material shortages focus attention anew on the role of unemployment compensation in mitigating distress occasioned by unemployment. Analyses of the operation of the program before the defense upswing had reached significant proportions add to our knowledge of how the unemployment compensation program protects its beneficiaries during periods when employment is at lower levels.

CURRENT ANALYSES by the Bureau of Employment Security have indicated that under most State unemployment compensation laws the benefits available to claimants are such that at least half of them fail to become reemployed before exhausting their benefit rights even in prosperous periods.¹ Particularly in States with provisions for variable duration of benefits, large numbers of beneficiaries have exhausted their benefit rights.

These conclusions were confirmed by a study of all beneficiaries in Polk County (Des Moines), Iowa, who completed a benefit year during the last 6 months of 1939. The shortcomings of the program in Polk County as a first line of defense against the effects of unemployment were further revealed by an examination of the unemployment experience of beneficiaries. The average beneficiary was entitled to only about 12 weeks of benefits. Primarily because of this restriction on benefit rights, two-thirds of all beneficiaries exhausted their benefit rights. After drawing benefits for relatively few weeks, a large proportion of the claimants remained unemployed for long periods. Nearly one-half of those who exhausted their rights did not have earnings of \$50 or more in covered employment in Iowa during any quarter between the exhaustion of benefits and the close of the quarter in which the benefit year terminated, and 40 percent did not have any earnings at all during this period. Many beneficiaries who exhausted their rights to benefits

did not earn enough to qualify for additional benefits at the beginning of the next benefit year.

Approximately one out of every six beneficiaries in the study was connected with a household which received general relief or WPA employment during the benefit year or during the 6-month period immediately preceding the benefit year. Nineteen percent of those who exhausted benefits and 13 percent of those who did not were in households obtaining general relief or WPA employment during the benefit year. In relation to age, occupation, weekly benefit amount, and potential duration, there was no clear demarcation between the beneficiaries who did and those who did not receive general relief. Considerable variation was shown between the two groups, however, with respect to the size of the family unit. The average number of dependents of the beneficiaries having relief status was 2.7, compared with 1.7 for those without relief experience. Nearly 30 percent of the cases with relief experience obtained less than \$20 in direct relief during the benefit year, but 18 percent received \$100 or more during this period. Moreover, one-fourth of those who were allowed \$200 or more in unemployment benefits also received at least \$100 in relief during the benefit year.²

Beneficiaries and Benefit Provisions

The population studied in Polk County consisted of all beneficiaries who completed a benefit year during the last 6 months of 1939. The investigation was confined to one county because of

*Director of Research and Statistics, Iowa Unemployment Compensation Commission. This article summarizes the major findings of a study, *The Adequacy of Unemployment Compensation Benefits in Polk County*, Iowa Unemployment Compensation Commission, Department of Research and Statistics, March 1941.

¹ Duration of Benefit Payments series, currently issued by the Reports and Analysis Division of the Bureau of Employment Security.

² An analysis of the reemployment and relief experience of beneficiaries in another more highly industrialized locality is available in *Adequacy of Unemployment Compensation Benefits in the Detroit Area During the 1938 Recession*, Employment Security Memorandum No. 14, Bureau of Employment Security, Social Security Board, January 1941. A summary of this study appeared in the *Social Security Bulletin*, Vol. 3, No. 11 (November 1940), pp. 3-11.

the difficulty in obtaining all necessary information on a State-wide basis. The fact that centralized records of all relief cases are maintained by the local community chest, the accessibility of the necessary information, and the relatively large number of claimants from a limited area were the primary factors in the selection of Polk County rather than some other community. Since the area chosen represents the most highly urbanized county in the State, the employment pattern in this area is not strictly representative of the State as a whole. Nevertheless, the results obtained should have some bearing on other localities.

Each claimant's benefit year, as defined by the Iowa law at the time this study was made, covered the 52 consecutive weeks beginning with the first day of the week with respect to which benefits were first payable to him. Thus, the period selected for study covers the 18 months from July 1938, the month in which the first benefit year began, to December 1939, the month in which the last benefit year ended. Since benefits were not payable in Iowa until July 1938, and since employment conditions were relatively unfavorable during the first 6 months of that year, the program was put to a fairly severe test immediately. Although employment began to show an upward trend beginning with July 1938, a seasonal slump occurred between October of that year and February of 1939 and again between November 1939 and the end of the year. Therefore, the study should shed some light on the operation of the program when employment opportunities are somewhat below the normal level.

The benefit duration of the claimants studied was based upon $\frac{1}{2}$ of the claimant's wages during the base period, consisting of the first 8 of the last 9 completed calendar quarters immediately preceding the first day of the benefit year. However, maximum duration was limited to 15 weeks, and benefit credits could not exceed \$65 during any calendar quarter of the base period. Since individual wage credits were not maintained prior to January 1, 1937, the base period consisted of only 5 quarters at the time benefits first became payable. But for claimants not entitled to the maximum duration under these conditions, earnings in subsequent quarters were used for extending the duration beyond that originally provided. As a result of such lag-quarter redeterminations, the base period was much longer in many instances

than the 5 quarters available at the time the initial claim was filed.

In order to be eligible for benefits under the Iowa law, the claimant must have earned at least 15 times his weekly benefit amount during the first 4 of the last 5 completed calendar quarters immediately preceding the benefit year. Such a low eligibility requirement permits automatic qualification whenever the weekly benefit rate is based upon $\frac{1}{2}$ of the highest-quarter earnings of the base period, and it permits a minimum potential duration of only 2.5 weeks.

The Volume of Benefit Rights

The provision restricting benefits to $\frac{1}{2}$ of base-period wages reduced the number of weeks of benefits available to most claimants below the maximum. Nearly 6 percent of the 3,765 beneficiaries analyzed had potential duration of less than 5 weeks, 26 percent had potential duration of less than 10 weeks, while 39 percent qualified for the 15-week maximum (table 1). The average potential duration for all beneficiaries was 12.1 weeks. The average duration for men was 12.3 weeks, and 40 percent were eligible for the 15-week maximum; for the women the average duration was 11.8 weeks, and 36 percent were eligible for the maximum.

A direct relationship existed between the size of the weekly benefit amount¹ and the potential duration of benefits. For persons with a weekly benefit amount of less than \$5, 37 percent were entitled to benefits for less than 5 weeks and only 7.9 percent had a potential duration of 15 weeks. At the other extreme, only 1.8 percent of those with a weekly benefit amount of \$15 had a potential duration of less than 5 weeks and 64 percent were entitled to the 15-week maximum.

Of all cases in the study, 66 percent exhausted their benefit rights (table 2). Although fairly striking differences were observed among certain social and economic groups with respect to the proportion that utilized all their benefit credits, it is significant that more than one-half of the men and women from every group analyzed—age, industry, occupation, and marital status—exhausted all benefits to which they were entitled. Indeed, these high exhaustion ratios

¹ Computed as 50 percent of the most recent full-time weekly wage, or $\frac{1}{2}$ of high-quarter wages, with a maximum of \$15 and a minimum of \$5, or the full-time weekly wage, whichever was the lesser.

Table 1.—Number and percentage distribution of beneficiaries with specified weekly benefit amounts, in Polk County, Iowa,¹ by number of full weeks of potential duration

Weekly benefit amount	All beneficiaries	Percentage distribution by number of full weeks of potential duration							
		Total	Less than 5	5-6.9	7-8.9	9-10.9	11-12.9	13-14.9	15
All beneficiaries	3,765	100.0	5.8	6.1	8.9	10.4	12.8	17.3	38.7
Men	2,803	100.0	4.9	5.6	8.4	10.8	13.6	17.2	39.5
Women	962	100.0	8.3	7.7	10.3	9.4	10.3	17.6	36.4
Less than \$5.00	140	100.0	37.1	15.0	14.3	11.4	7.9	6.4	7.9
5.00-5.99	600	100.0	16.8	14.2	15.5	14.2	11.3	12.8	15.2
6.00-6.99	313	100.0	4.5	6.4	9.9	12.5	13.1	20.1	33.5
7.00-7.99	356	100.0	2.8	6.2	11.0	16.0	14.3	18.5	31.2
8.00-8.99	330	100.0	2.4	6.4	7.9	10.3	16.7	19.1	37.3
9.00-9.99	319	100.0	2.2	4.4	8.5	11.0	14.1	21.0	38.9
10.00-10.99	353	100.0	1.1	2.0	8.1	11.0	15.3	17.6	47.9
11.00-11.99	272	100.0	1.7	4.0	4.8	5.5	11.8	24.3	48.9
12.00-12.99	274	100.0	1.1	1.5	5.8	7.7	13.9	21.9	48.2
13.00-13.99	171	100.0	2.3	2.9	5.8	7.6	12.3	21.1	48.0
14.00-14.99	144	100.0	2.8	6.2	9.7	7.6	9.0	23.7	41.0
15.00	493	100.0	1.8	2.0	5.7	5.7	10.5	9.9	64.3

¹ Based on the wage records and benefit ledgers of all beneficiaries in Polk County who completed a benefit year during July-December 1939.

understate the amount of uncompensated unemployment which beneficiaries experienced. Since the study is limited to individuals who filed claims during the first 6 months in which benefits were payable in Iowa, it is obvious that many of the workers had been unemployed for a considerable length of time before filing initial claims. Had the program been in operation at an earlier date, the total period of unemployment would undoubtedly have exceeded the duration of benefits in many additional cases. An analysis of beneficiaries who completed a benefit year in Wayne County, Michigan, on June 30, 1939, revealed that 43 percent of the men and 53 percent of the women who did not exhaust their benefit rights would have done so if benefits had been payable immediately after their separation from employment.⁴

A definite inverse relationship existed between the potential duration of benefits and the proportion of beneficiaries who exhausted their benefit rights. Thus, the exhaustion ratio for those entitled to less than 5 weeks of benefits was 88 percent as compared with 55 percent for those having potential duration at the 15-week maximum; the remaining cases fell between these two extremes. Low potential duration is usually occasioned by casual or intermittent employment preceding the

claim for benefits, and the workers in this category would probably have exhausted their benefit rights even if they had been eligible for several additional weeks of benefits.

The exhaustion ratio tended to decline as the weekly benefit amount increased, apparently because high benefit amounts were associated with substantial potential duration. There was little or no tendency for exhaustion ratios of beneficiaries with given potential duration to decline as weekly benefit amounts increased. The data suggest, therefore, that the provision for variable duration causes the benefit provisions to be particularly restrictive for claimants with irregular prior employment, and that this limitation is accentuated by the tendency of claimants with irregular prior employment to earn relatively small amounts per week.⁵

The potential duration of benefits varied considerably among the different industrial groups. More than half the claimants from printing and publishing, communication and utilities, and the manufacture of iron and steel and nonelectrical machinery were eligible for the maximum duration of 15 weeks. On the other hand, less than one-third of the beneficiaries whose last covered employment was in food manufacturing, finance, insurance and real estate, or the various service industries had a potential duration at the 15-week maximum.

⁵ Since many weekly benefit amounts were based on high-quarter earnings, irregular employment in the high quarter would result in such inadequacy.

Table 2.—Percent of beneficiaries exhausting benefit rights, by weekly benefit amount and full weeks of potential duration¹

Number of full weeks of potential duration	Percent of beneficiaries exhausting benefit rights	Percent of beneficiaries with specified weekly benefit amount exhausting benefit rights							
		Less than \$5.00	\$5.00-6.99	\$7.00-8.99	\$9.00-10.99	\$11.00-12.99	\$13.00-14.99	\$15.00	
All beneficiaries	66.3	69.3	73.4	68.7	67.9	63.2	59.7	54.8	
Less than 5	87.6	78.8	90.4	94.4	72.7	100.0	100.0	88.9	
5-5.9	81.1	72.7	81.6	77.8	100.0	87.5	71.4	80.0	
6-6.9	79.7	100.0	80.4	80.0	78.9	87.1	71.4	80.0	
7-7.9	82.6	64.3	83.9	85.3	81.0	91.7	80.0	87.5	
8-8.9	80.6	66.7	73.5	87.1	87.5	88.2	78.6	85.0	
9-9.9	75.9	44.4	77.3	77.1	87.1	72.2	78.6	64.7	
10-10.9	76.3	42.9	79.3	72.1	83.7	61.1	70.0	100.0	
11-11.9	74.4	60.0	74.1	80.4	72.5	80.8	66.7	68.7	
12-12.9	67.8	83.3	58.2	68.0	76.3	72.7	62.5	60.7	
13-13.9	67.3	60.0	56.3	64.3	84.2	67.3	53.8	78.2	
14-14.9	61.1	50.0	70.7	62.4	56.0	58.4	59.6	53.6	
15	54.8	45.5	62.8	58.1	58.7	55.8	49.6	45.4	

¹ See table 1, footnote 1.

⁴ *Adequacy of Unemployment Compensation Benefits in the Detroit Area During the 1938 Recession*, op. cit., p. 14.

There were fairly significant differences among industrial groups with respect to the proportion of beneficiaries utilizing all their benefit credits. The highest exhaustion ratios, more than 70 percent, were found among beneficiaries formerly employed in communication and utilities; finance, insurance, and real estate; and the manufacture of chemicals and nonelectric machinery (table 3). The groups of beneficiaries from printing and publishing, manufacture of apparel, and the iron and steel industries had the lowest exhaustion ratios. The differences in the exhaustion ratios for men and women were also significant; 71 percent of the women, as compared with 65 percent of the men, used all their benefit rights. Considerably smaller differences in the exhaustion ratios of men and women may be noted in food manufacturing, retail trade, and finance, insurance, and real estate; larger differences were evident in communication and utilities, the service groups, and the manufacture of chemicals. For the miscellaneous manufacturing groups and retail trade, the exhaustion ratio was slightly higher for the men than for the women.

Table 3.—Number of beneficiaries and percent who exhausted benefit rights, by selected industry and by sex¹

Industry	Total beneficiaries			Percent exhausting benefit rights		
	Total	Male	Female	Total	Male	Female
Total.....	3,765	2,803	962	66.3	64.8	70.8
Mining.....	543	540	3	63.5	63.7	(²)
Construction.....	363	362	1	66.1	66.3	(²)
Manufacturing:						
Food and kindred products.....	287	185	102	63.1	62.2	64.7
Apparel and other finished products.....	105	20	85	57.1	50.0	58.8
Printing, publishing, and allied industries.....	114	70	44	56.1	54.3	59.1
Chemicals and allied products.....	211	28	183	73.9	57.1	76.5
Iron and steel and their products.....	97	88	9	57.7	55.7	(²)
Machinery (except electrical).....	84	82	2	73.8	74.4	(²)
Miscellaneous manufacturing.....	207	154	53	73.4	74.0	71.7
Transportation.....	165	159	6	67.3	67.3	(²)
Communication and other public utilities.....	69	48	21	72.5	66.7	85.7
Wholesale and retail trade:						
Wholesale distributors.....	288	234	54	64.9	63.7	70.4
Wholesale and retail trade combined.....	135	130	5	59.3	60.0	(²)
Retail trade, not elsewhere classified.....	410	248	162	68.3	68.5	67.9
Finance, insurance, and real estate.....	131	68	63	76.3	75.0	77.8
Service industries.....	485	331	154	69.5	65.6	77.9
Not elsewhere classified.....	36	25	11	72.2	68.0	(²)
Industry unknown.....	35	31	4	28.6	25.8	(²)

¹ See table 1, footnote 1.

² Not computed; base less than 20.

Table 4.—Number and percentage distribution of all beneficiaries exhausting benefit rights and of beneficiaries with specified potential duration, by number of weeks between beginning of benefit year and date benefits were exhausted¹

Weeks between beginning of benefit year and date of exhaustion of benefits	Beneficiaries exhausting benefit rights		Potential duration			
	Number	Percent	Less than 15 weeks		15 weeks	
			Number	Percent	Number	Percent
Total.....	2,497	100.0	1,699	100.0	798	100.0
Less than 5.....	61	2.4	61	3.6	.....	.....
5-9.....	418	16.8	418	24.6	.....	.....
10-14.....	518	20.7	518	30.5	.....	.....
15-19.....	702	28.2	257	15.0	445	55.8
20-24.....	148	5.9	81	4.8	67	8.4
25-29.....	91	3.6	57	3.4	34	4.3
30-34.....	92	3.7	57	3.4	35	4.4
35-39.....	75	3.0	48	2.8	27	3.4
40-44.....	117	4.7	63	3.7	54	6.8
45-49.....	157	6.3	76	4.5	81	10.0
50 or more.....	118	4.7	63	3.7	55	6.9

¹ See table 1, footnote 1.

If benefits of the group studied were terminated near the completion of the benefit year, when the beneficiaries would soon be in a position to file new claims, all but a small portion of their short-run unemployment might have been compensable. On the other hand, if benefit rights were terminated within a relatively short time, no protection would be afforded by the program for any unemployment which might occur during a large portion of that benefit year. Forty percent of the beneficiaries who exhausted their benefit rights had done so in less than 15 weeks, and 68 percent had done so in less than 20 weeks after the beginning of the benefit year (table 4). More than two-thirds could therefore have received no compensation in the final 33 weeks of the benefit year.⁶ Of those entitled to the maximum duration of 15 weeks, nearly two-thirds had exhausted their benefits by the middle of the year and less than 10 percent had their benefit rights terminated within a month of the end of the benefit year. The average potential duration of uncompensated unemployment within the benefit year was approximately 31 weeks for all claimants analyzed—34 weeks for those with

⁶ Undoubtedly, some seasonal workers who filed claims in July 1938 returned to work before their benefits were exhausted, and consequently did not file an additional claim until the spring of 1939. Had the benefit-payment program been in operation prior to July 1938, it is believed that such workers would have filed their claims earlier and that the proportion who would have exhausted their rights within a few weeks would have been greater than indicated.

Table 5.—Number and percentage distribution of beneficiaries not exhausting benefit rights, by number of weeks that potential benefits exceeded benefits paid, by sex¹

Number of weeks that potential benefits exceeded benefits paid	Number			Percent		
	Total	Men	Women	Total	Men	Women
Total.....	1,268	987	281	100.0	100.0	100.0
1.....	184	143	41	14.5	14.5	14.4
2.....	119	89	30	9.4	9.0	10.8
3.....	101	82	19	8.0	8.3	6.9
4.....	99	67	32	7.8	6.8	11.6
5.....	94	68	26	7.4	6.9	9.3
6.....	79	61	18	6.2	6.2	6.0
7.....	65	43	22	5.1	4.4	7.8
8.....	75	62	13	5.9	6.3	4.5
9.....	79	65	14	6.2	6.5	5.0
10.....	63	52	11	5.0	5.3	3.9
11.....	72	64	8	5.7	6.5	2.7
12.....	51	42	9	4.0	4.2	3.3
13.....	46	33	13	3.6	3.3	4.8
14.....	44	33	11	3.5	3.4	3.9
15.....	97	83	14	7.7	8.4	5.1

¹ See table 1, footnote 1.

potential duration of less than 15 weeks, and 25 weeks for those whose potential duration was at the 15-week maximum.

Exhaustion near the beginning of the benefit year is explained by the fact that nearly two-thirds of both the men and women who exhausted their benefit rights did so in one spell, about one-fourth in two spells, and the remaining one-twelfth in three or more spells of unemployment. A larger proportion of those who did not exhaust their benefit rights experienced intermittent unemployment. About one-half drew benefits for one spell, about one-third for two spells, and the remaining one-sixth for three or more spells of unemployment. Of this group, the amount of intermittent employment was slightly greater among women.

About 15 percent of the beneficiaries who did not exhaust their benefit rights would have done so had their unemployment continued for another week, and 47 percent would have exhausted their benefits had their unemployment continued for an additional 5 weeks⁷ (table 5). For 30 percent, on the other hand, unemployment would have had to continue for at least 10 more weeks before exhaustion of benefits, so that the margin of safety was moderately substantial for about one-third of the cases not exhausting rights. The average

⁷ Since the last payment frequently amounted to only a few cents, some claimants probably failed to file the last continued claim even though they remained unemployed. This situation probably accounts for the relatively high number who came within 1 week of exhausting their benefit rights. It is likely that the exhaustion ratio would have been higher if the final payment were always the same denomination as the preceding payments.

of unused benefits was greater for the men than for the women; 24 percent of the women, as compared with 31 percent of the men, had an excess duration of 10 weeks or more.

Reemployment Experience

The length of time between the exhaustion of benefits and the date of reemployment is a significant measure of the consequences ensuing when a system fails to cover beneficiaries' periods of short-term unemployment. Data relating to reemployment were obtained from the wage-record files of the Iowa Employment Security Commission. They are subject to certain definite limitations. The Iowa law excludes from coverage employers of less than 8 workers and also exempts such employment as agriculture, domestic service, and self-employment. Earnings are reported only on a quarterly basis, and benefit years may end on any day within a quarter. Moreover, wage-record cards were not available beyond the fourth quarter of 1939 at the time the data were being collected. As a result, the wage records extend further beyond the date of exhaustion in some instances than in others, and consequently do not show uniformly for all beneficiaries experience in getting new jobs following exhaustion of benefits. Finally, the data do not show to what extent absence of recorded wages was due to withdrawal

Table 6.—Number of beneficiaries exhausting benefit rights and percentage distribution according to quarter of reemployment,¹ by sex and by quarter of benefit exhaustion²

Sex and quarter of benefit exhaustion in benefit year	Number of beneficiaries exhausting benefit rights	Percentage distribution by quarter of reemployment following quarter of benefit exhaustion						
		Total	None	Same quarter	1st quarter	2d quarter	3d quarter	4th quarter
All beneficiaries.....	2,497	100.0	49.9	22.0	17.7	6.5	3.5	0.4
1st quarter.....	897	100.0	51.7	14.4	19.9	7.7	5.1	1.2
2d quarter.....	986	100.0	46.3	21.2	20.5	8.5	3.5	.....
3d quarter.....	222	100.0	46.4	33.3	15.8	4.5	.....	.....
4th quarter.....	392	100.0	56.9	36.0	7.1	.....	.....	.....
Men, total.....	1,816	100.0	47.7	23.6	18.6	6.4	3.3	.4
1st quarter.....	648	100.0	50.0	15.4	21.0	7.1	5.3	1.2
2d quarter.....	715	100.0	43.4	22.8	21.4	8.8	3.6	.....
3d quarter.....	159	100.0	44.7	37.1	13.8	4.4	.....	.....
4th quarter.....	294	100.0	54.8	36.4	8.8	.....	.....	.....
Women, total.....	681	100.0	55.9	17.8	15.4	6.8	3.7	.4
1st quarter.....	249	100.0	56.3	10.4	16.5	8.8	6.8	1.2
2d quarter.....	271	100.0	54.2	17.0	18.1	7.7	3.0	.....
3d quarter.....	63	100.0	50.8	23.8	20.6	4.8	.....	.....
4th quarter.....	98	100.0	63.3	34.7	2.0	.....	.....	.....

¹ Calendar quarter in which at least \$50 was earned in covered employment.

² See table 1, footnote 1.

from the labor market in Iowa because of old age, death, migration to other States, marriage, or similar reasons.

Of the beneficiaries who exhausted their benefit rights, 22 percent were reemployed during the same calendar quarter in which exhaustion of benefits occurred and an additional 18 percent became reemployed during the first quarter following exhaustion (table 6).⁸ On the other hand, half the beneficiaries did not have earnings of as much as \$50 during any quarter between the exhaustion of benefits and the end of the benefit year.⁹ In fact, nearly 40 percent had no reported earnings during this interval.

The percentage who were reemployed during the same quarter in which exhaustion occurred varied from 14 percent for those who exhausted their benefits during the first quarter of the benefit year to 36 percent for those who did not exhaust their wage credits until the last quarter of the benefit year. While this variation may be due in part to the rising level of employment during the period studied, it is believed to be due primarily to the industrial attachment of the workers involved. For instance, of those whose post-exhaustion period began during the first quarter of the benefit year, only 48 percent succeeded in becoming reemployed, even though there were 4 possible quarters in which to find jobs. But of those whose post-exhaustion period began during the third quarter of the benefit year, 54 percent obtained reemployment during 2 possible quarters. The data suggest, therefore, that those who did not exhaust their benefit rights until late in the benefit year were more employable, were attached to establishments or industries which offered better opportunities for reemployment, or became unemployed shortly before an upturn in business conditions. Relatively more women than men failed to obtain reemployment regardless of the quarter of benefit exhaustion, but little difference could be noted between the men and women with respect to the immediacy of their reemployment.

⁸ For this phase of the study, reemployment was defined as \$50 or more of earnings in covered employment in a given calendar quarter. While this definition is admittedly arbitrary, it is based on the assumption that earnings of less than this amount ordinarily represent a very casual attachment to the labor market and in only rare instances would be indicative of a permanent job.

⁹ Owing to the fact that earnings were reported on a quarterly basis, the period covered actually extended beyond the close of the benefit year in nearly every instance. In other words, the earnings were computed from the beginning of the quarter in which benefits were exhausted to the close of the quarter in which the end of the benefit year occurred.

Table 7.—Percentage distribution of beneficiaries exhausting benefit rights, according to amount of post-exhaustion earnings, by quarter of exhaustion of benefit rights¹

Post-exhaustion earnings ²	Total	Quarter of benefit year in which exhaustion of benefit rights occurred			
		1	2	3	4
Number.....	2,497	897	986	222	392
Percent.....	100.0	100.0	100.0	100.0	100.0
None.....	39.2	37.6	36.1	39.2	50.8
\$1-49.....	8.9	9.5	8.2	9.5	8.9
50-99.....	7.0	6.8	6.2	7.2	9.7
100-199.....	9.7	8.6	9.1	12.2	12.0
200-299.....	7.5	7.4	7.7	8.6	6.6
300-399.....	5.5	5.6	5.8	7.8	4.3
400-499.....	4.6	4.6	5.1	4.0	4.1
500-749.....	9.3	9.6	11.4	9.0	4.1
750-999.....	4.0	4.8	5.1	2.2	3.6
1,000 or more.....	4.3	5.5	5.3	1.8	.....

¹ 1st quarter of benefit year was either 3d or 4th quarter of 1938, 2d quarter of benefit year was either 4th quarter of 1938 or 1st quarter of 1939, and so on.

² Covers the period from the beginning of quarter of benefit exhaustion to the close of quarter in which benefit year expired.

The total amount of earnings, as well as the volume of employment, after exhaustion of benefit rights is pertinent to the analysis of beneficiaries' post-exhaustion experience. About 39 percent of the beneficiaries analyzed had no earnings, and an additional 16 percent had earnings of less than \$100 (table 7). At the other extreme, 18 percent earned \$500 or more. A definite relationship existed between the time of exhaustion and the amount earned. For example, of those who exhausted benefit rights during the first 2 quarters of the benefit year, about 52 percent had earnings amounting to less than \$100 and 21 percent had earnings of \$500 or more; whereas, for those who exhausted their benefit rights during the last 2 quarters of the benefit year, the corresponding percentages are 64 and 8, respectively. A most significant finding is that 54 percent of those having 5 possible quarters of reemployment earned less than \$100 during that time, which confirms the previous conclusion that the amount of uncompensated unemployment was substantial for a high proportion of the beneficiaries studied.

Since some beneficiaries had earnings between the beginning of the benefit year and the date of exhaustion, analyses were also made of earnings during the entire benefit year. This phase of the investigation revealed that 38 percent of all beneficiaries who exhausted their benefits earned less than \$100, and an additional 36 percent earned between \$100 and \$500. While the reemployment

experience was considerably better with respect to those who did not exhaust their benefit rights, as many as 16 percent in this group had earnings of less than \$100 and an additional 20 percent had earnings of between \$100 and \$500 during the course of the benefit year. It is impossible to compute accurately the number of these beneficiaries who would have been eligible for benefits had they filed a claim at the beginning of their next benefit year, but the figures relating to benefit-year earnings, which would become base-period earnings when these claimants attempted to initiate new benefit years, suggest that a large proportion would have been entitled to very small benefits, if any.

Relief Experience

The relief histories of the claimants studied provide additional information about the nature of the group receiving unemployment compensation and the significance of benefit payments to them during the benefit years under examination.¹⁰ Such information cannot solve the problems relating to the proper scope of various programs providing income to unemployed workers, but it will indicate the degree and manner in which relief payments and unemployment benefits were associated during the period studied.¹¹

A substantial proportion—17 percent—of the beneficiaries were in households which received relief payments at some time during the period extending from 6 months prior to the benefit year to the end of the benefit year.¹² Three-fourths of the families who were in receipt of relief before the initiation of benefit payments received relief payments after unemployment benefits became payable. Thus, over a fairly short period

¹⁰ Data for this section were obtained from records of the Community Chest, the Polk County Emergency Relief Administration, and the county Works Progress Administration. Unfortunately, no information was obtainable on the extent to which beneficiaries utilized other sources of income such as insurance, savings, assistance from relatives, and private charity.

¹¹ The term "relief" is used to include general relief payments, WPA employment, or both, unless specifically noted. When an individual is spoken of as receiving relief, it should be understood that he was a member of a household receiving relief. There were 981 beneficiaries who received public assistance only in the form of hospitalization, juvenile aid, old-age assistance, or other categorical relief. These beneficiaries are not considered as having received relief payments.

¹² It should be emphasized that the number of households receiving relief payments is not a precise indication of the number of households in which income fell below the level which would nominally entitle them to relief payments. There is no evidence that all households meeting the Polk County standards for receipt of relief actually received relief. There is evidence that family income had to be at a very low level before relief payments were made.

of time, some families received income both from relief payments and unemployment benefits.

During the course of the benefit year, 16 percent of those who exhausted their benefit rights, as opposed to 9 percent of those who did not, were in households receiving relief payments. The fact that nearly 1 out of every 10 beneficiaries in the study who did not exhaust his benefit rights received relief before the benefit year had expired is attributed primarily to the fact that some beneficiaries were obliged to supplement their weekly earnings or weekly benefit amount with relief payments. In other instances, relief may have been obtained prior to the receipt of benefits following reemployment of short duration that occurred during the benefit year. Since redeterminations were made on the basis of wages earned during the benefit year, a lag of a few weeks usually occurred between the separation from such employment and the time benefits were again payable. The fact that some of the beneficiaries were secondary workers also explains the possibility of their having relief status outside of the compensable period, even though they may have become reemployed before they exhausted their benefits. Finally, a small final payment may have compelled some beneficiaries to apply for relief before benefits were completely exhausted.

Relief grants during the period investigated were probably about 10 percent below the amount necessary to sustain the household at the minimum level of subsistence as measured by the budgetary standards compiled by the State nutritionist. The maximum food allowance for households with no source of income other than relief was about \$1.75 per week for a single man, \$2.75 for households with 2 members, \$3.50 for households with 3 members, \$4.50 for households with 4 members, and so on up to \$10.50 for households with 12 members. About 1½ tons of coal were allowed per month during the winter, and the amount allotted for clothing was approximately one-third of the monthly grocery budget. One quart of milk was also furnished each day for every child under 5 years of age and a pint for every child between the ages of 5 and 12, with a maximum of 3 quarts per day. The cash allowance for food was further supplemented by surplus commodities as they were available. The actual cost of shelter was allowed in emergency cases up to a maximum of \$15 per month.

Table 8.—Number and percentage distribution of beneficiaries according to exhaustion of benefit rights and specified number of dependents, by relief status¹

Benefit status and number of dependents	Nonrelief		Relief ²	
	Number	Percent	Number	Percent
All cases, total.....	1,834	100.0	1,458	100.0
None.....	558	30.4	29	6.3
1.....	470	25.6	102	22.3
2.....	341	18.6	107	23.4
3.....	208	11.3	99	21.6
4.....	122	6.7	57	12.4
5 or more.....	135	7.4	64	14.0
Average.....	1.67		2.67	
Benefits exhausted, total...	1,185	100.0	361	100.0
None.....	401	33.8	25	6.9
1.....	315	26.6	86	23.8
2.....	207	17.5	87	24.1
3.....	118	10.0	74	20.5
4.....	68	5.7	39	10.8
5 or more.....	76	6.4	50	13.9
Average.....	1.52		2.59	
Benefits not exhausted, total	649	100.0	97	100.0
None.....	157	24.2	4	4.1
1.....	155	23.9	16	16.5
2.....	134	20.6	20	20.6
3.....	90	13.9	25	25.8
4.....	54	8.3	18	18.6
5 or more.....	59	9.1	14	14.4
Average.....	1.93		2.95	

¹ See table 1, footnote 1. Data on relief experience of beneficiaries obtained from files of Polk County ERA and the WPA.

² Includes cases which received general relief and/or WPA during benefit year.

³ 1,473 cases were excluded from table because number of dependents was unknown.

In order to obtain work projects employment it was necessary for the household to qualify for general relief. About 65 percent of the individuals who had such employment were also the recipients of general relief during the period under consideration. Although workers on WPA projects had to be certified by the relief agency, the "security wages" paid such workers were higher than the maximum relief grant for the average-sized household. The monthly "security wage" in Des Moines ranged from about \$55 per month for unskilled labor to \$95 per month for professional and technical workers during 1938 and 1939.

Relief Households Compared With Nonrelief Households

An attempt was made to determine what distinguished the beneficiaries who received relief during the benefit year from those who did not. Of the beneficiaries who did not receive relief payments, 73 percent were men, but among the

beneficiaries in relief households, 87 percent were men. About 81 percent of the beneficiaries having relief status were heads of their respective households, and of these 95 percent were men. Single persons comprised 30 percent of the nonrelief beneficiaries, as compared with 13 percent of those having relief status, while married persons constituted 58 and 73 percent of these groups, respectively.

The proportion of beneficiaries who received relief was relatively low at the younger age level, even though this group had lesser benefit rights. The number of relief cases among those aged 50 or more was also disproportionately small, which may be attributable to the fact that the number of persons dependent upon them for support is smaller, on the average, than for those in the middle-age group. In the nonrelief households beneficiaries aged 30-49 represented about 38 percent of the total cases, while in the relief households approximately 43 percent of the cases fell in this age group.

The analysis suggests that the need for relief was dependent to a significant degree upon the number of individuals in the beneficiary's household, a finding corroborated by a comparison of the number of dependents in relief and nonrelief households.¹³ Thirty percent of the beneficiaries without relief experience had no dependents, as compared with about 6 percent of the beneficiaries having relief status (table 8). On the other hand, proportionately twice as many from the relief as from the nonrelief households had three or more persons dependent upon them for financial assistance.

The benefit rights acquired by the beneficiaries who received relief during the benefit year were not significantly different from those acquired by beneficiaries who received none. Beneficiaries in receipt of relief during the benefit year had an average weekly benefit amount of \$9.83, while the average for those not in receipt of relief was about 2 percent lower (\$9.62) (table 9). Half the beneficiaries from relief households were allowed a

¹³ The number of dependents in nonrelief households was obtained from the registration cards available in the Des Moines office of the State Employment Service. The number of dependents of beneficiaries having relief status was the number in the relief household, as indicated in the records maintained by the Polk County Emergency Relief Administration, minus the beneficiary. A check of the number of dependents entered on the registration cards and the number in the relief household, when both figures were available for the same beneficiary, showed that there was little discrepancy between the number of dependents and the number of persons in the relief household.

weekly benefit amount in excess of \$10, whereas only 45 percent of the nonrelief cases were allowed more than \$10 per week. Therefore, the size of the weekly benefit amount, in and of itself, was not a major factor in compelling the beneficiaries to seek relief.¹⁴ This statement does not imply that higher weekly benefit amounts would not have reduced the proportion of beneficiaries (7.7 percent of all beneficiaries) who were forced to apply for relief during the compensable period. Rather, it indicates that other factors—number of dependents, position in the household, and lack of other means of support—forced claimants to resort to relief. Many others with the same, or even a lower, weekly benefit amount were able to maintain a livelihood without the assistance of relief grants.

The average potential duration of benefits allowed to the nonrelief group was 12.2 weeks, as compared with 11.8 weeks to the relief group. Seventy-five percent of the beneficiaries without relief experience, as compared with 70 percent of those with relief status, were eligible for 10 or more weeks of benefits. While these differences indicate that the potential duration was somewhat greater on the whole for the beneficiaries not known to have received relief, the differences are not of

¹⁴ The fact that the average weekly benefit amount is slightly higher for the relief than for the nonrelief group is probably explained by the predominance of men among the recipients of general relief.

Table 9.—Number and percentage distribution of beneficiaries by relief status, weekly benefit amount, and weeks of potential duration¹

Weekly benefit amount and potential duration	Nonrelief		Relief ²	
	Number	Percent	Number	Percent
Weekly benefit amount: All beneficiaries.....	3,236	100.0	529	100.0
Less than \$5.00.....	120	3.6	20	3.8
5.00-9.99.....	1,675	51.9	243	46.0
10.00-14.99.....	1,004	31.0	210	39.6
15.00.....	437	13.5	56	10.6
Average weekly benefit amount.....	\$9.62		\$9.83	
Weeks of potential duration: All beneficiaries.....	3,236	100.0	529	100.0
Less than 5 weeks.....	185	5.7	33	6.3
5-9.9.....	641	19.8	126	23.8
10-14.9.....	1,133	35.1	190	35.9
15.....	1,277	39.4	180	34.0
Average weeks of potential duration.....	12.2		11.8	

See table 1, footnote 1.

² Includes cases which received general relief and/or WPA during benefit year.

Table 10.—Number and percent of beneficiaries with and without relief status in benefit year, by relief and benefit status¹

Relief and benefit status	Number	Percent
Total.....	3,765	100.0
Received no relief payments in benefit year.....	3,271	86.9
Received some relief payments in benefit year.....	494	13.1
Did not exhaust benefit rights.....	105	2.8
Exhausted benefit rights.....	389	10.3
Received relief payments prior to exhaustion.....	181	5.1
Received relief payments only after exhaustion.....	198	5.2

¹ See table 1, footnote 1.

² Includes all beneficiaries who received general relief payments alone or WPA employment and relief payments. Excluded are 21 claimants exhausting benefit rights and 14 claimants not exhausting benefit rights who received only WPA employment during the benefit year.

sufficient magnitude to be statistically significant. Limited duration of benefits, in itself, was therefore not a significant reason for the receipt of relief by beneficiaries.¹⁵

Although it might be expected that exhaustion of unemployment benefit rights would be a highly significant explanation of the receipt of relief payments by beneficiaries during the benefit year, this was not the case. While 13.1 percent of all beneficiaries received relief payments during the benefit year, 2.8 percent received relief grants although they had not exhausted their unemployment benefit rights (table 10). Among those beneficiaries who exhausted their benefit rights and received relief payments during the benefit year (10.3 percent of all beneficiaries), nearly half (5.1 percent of all beneficiaries) received relief payments before they had exhausted their benefit rights.¹⁶ Of the 494 beneficiaries who received relief during the benefit year, no more than 40 percent received relief payments only after exhaustion of benefit rights. Hence, destitution following exhaustion of benefit rights was not the primary factor in beneficiaries' receipt of relief payments during the benefit year.

These findings tend to refute the frequently expressed opinion that a higher eligibility requirement would exclude from benefits most of those who may be expected to need relief during their benefit years. The data indicate that many who qualify for low amounts do not receive relief and

¹⁵ Since the differences between the weekly benefit amounts and potential duration of the two groups were insignificant, the total amounts of benefits allowed were almost identical. The average potential benefit rights for the nonrelief group was \$121, as compared with \$120 for those in relief households. Furthermore, the proportion who were allowed total benefits of less than \$50 was no greater for the relief than for the nonrelief group.

¹⁶ In this connection, it should be noted that 1,699 beneficiaries, or 45 percent of all beneficiaries, exhausted their benefit rights within 20 weeks after the beginning of the benefit year.

Table 11.—Number and percentage distribution of beneficiaries according to exhaustion of benefit rights by position in household, and number of months relief was received during benefit year¹

Total months of relief	Benefits exhausted			Benefits not exhausted		
	Total	Head of household	Secondary worker	Total	Head of household	Secondary worker
Number of beneficiaries.....	410	340	70	119	90	29
Percent of total.....	100.0	100.0	100.0	100.0	100.0	100.0
1-2.....	24.6	23.2	31.4	42.9	46.7	31.1
3-4.....	27.8	28.5	24.3	23.5	24.4	20.7
5-6.....	19.0	20.6	11.4	13.4	12.2	17.2
7-8.....	11.2	11.8	8.6	7.6	6.7	10.3
9-10.....	9.8	10.0	8.6	5.0	4.4	6.9
11-12.....	7.6	5.9	15.7	7.6	5.6	13.8

¹ See table 1, footnote 1.

that, on the other hand, some who have relatively high weekly benefit amounts and substantial duration of benefits obtain relief prior to reemployment. Of the relief cases included in the present investigation, less than one-fourth would have failed to qualify for benefits had the eligibility requirement been raised from 15 to 30 times the weekly benefit amount.

Amount of Relief During Benefit Year

One-fourth of those who exhausted their benefit rights received relief for 2 months or less, and more than half were in receipt of relief for 4 months or less¹⁷ (table 11). On the other hand, nearly 30 percent received relief for 7 months or more and approximately 8 percent for 11 months or more. Of the beneficiaries who did not utilize all their benefit credits, more than two-fifths were in households which received relief for 2 months or less, and more than two-thirds in households which received relief for 4 months or less. Thus, the duration of relief was considerably less among the households in which the beneficiary did not exhaust benefit rights.¹⁸ It should be noted, however, that proportionately more households in which the bene-

¹⁷ These data do not indicate the total duration of relief, but the number of months in which relief was received. Relief might have been granted for only a portion of the month.

¹⁸ More than three-fourths of the cases receiving relief during the benefit year were accepted within 2 months after the beneficiary had received his final check for unemployment compensation. Some households were in receipt of relief assistance during the beneficiary's compensable period and simply continued to draw relief after the latter had exhausted rights to benefits. Many claimants experienced a period of unemployment immediately before benefits were payable and may have depleted their resources before unemployment compensation was available. A similar study based on a different period of time might therefore yield quite different results.

Table 12.—Total number of beneficiaries receiving general relief and cumulative percentage distribution of beneficiaries with specified potential benefit amounts, by amount of general relief received during benefit year

Amount of general relief received	Total number of general relief recipients	Cumulative percentage distribution by potential benefit amount					
		Total	Less than \$50	\$50-99	\$100-149	\$150-199	\$200 or more
Total number.....	494	494	69	135	127	106	57
Less than \$10.....	78	15.8	5.8	14.8	18.1	18.9	19.3
10-19.....	62	28.4	18.9	26.7	30.7	31.2	33.3
20-29.....	50	38.5	33.4	37.1	37.0	44.4	40.3
30-39.....	33	49.2	42.1	48.2	47.2	56.7	50.8
40-49.....	50	59.3	49.3	57.8	56.6	68.0	64.8
50-59.....	30	65.4	58.0	63.7	61.3	77.4	64.8
60-69.....	30	71.5	62.3	73.3	69.2	78.3	70.1
70-79.....	20	75.5	65.2	78.5	73.2	81.1	75.4
80-89.....	12	77.9	65.2	80.0	80.3	82.0	75.4
90-99.....	22	82.4	78.3	83.7	84.3	84.8	75.4
100 or more.....	87	100.0	100.0	100.0	100.0	100.0	100.0

¹ See table 1, footnote 1.

ficiary was a secondary worker received relief for less than 2 months and more than 10 months. On the other hand, the average duration of relief was not materially different whether the beneficiary was or was not head of the household.

It is significant that nearly 16 percent of the beneficiaries who were in need of general relief received less than \$10 during the entire benefit year and an additional 13 percent obtained less than \$20. While these figures do not take into account earnings from WPA employment, they nevertheless suggest that an increase in the amount of benefit payments might have reduced the proportion of beneficiaries who received both unemployment benefits and relief payments during the benefit year. On the other hand, nearly one-fourth of those who were allowed benefits of \$200 or more also received at least \$100 in relief during the benefit year (table 12). In fact, when the amount of relief received during the benefit year is related to the potential benefit amount, it may be observed that those with limited benefit rights received very little more relief, on the average, than those with extensive benefit rights. In general, it may be said that, during the period studied, factors other than the volume of unemployment benefits available—primarily the number of persons dependent on beneficiaries—explain why a substantial group of beneficiaries received both relief payments and unemployment benefits during the same year.

Federal Contributory Retirement Systems Other Than Civil Service

RUTH RETICKER*

THE CIVIL SERVICE RETIREMENT ACT¹ covers approximately 97.0 percent of the Federal employees who are now protected by a contributory retirement system, and the two other systems administered by the Civil Service Commission—the Canal Zone and the Alaska Railroad Retirement Act—bring the percentage up to 97.7. The remaining 2.3 percent are covered by five separate retirement systems.

The earliest of these systems² is the one authorized in the Foreign Service Retirement and Disability Act, which became effective in May 1924, 4 years after the Civil Service Retirement Act. This act, administered by the Secretary of State, covers officers of the Foreign Service, ambassadors and ministers, and diplomatic secretaries or consular officers appointed to positions in the Department of State.

The retirement system of the Federal Reserve Banks, which was established in March 1934 under the general authority of the Federal Reserve Act and of the Banking Act of 1933, covers employees of the Board of Governors of the Federal Reserve System and officers, clerks, and other employees of the Federal Reserve Banks. It is administered by a board of trustees representing the Board of Governors and each of the 12 Federal Reserve Banks and also the employees of the Board of Governors and of each Federal Reserve Bank.

In 1936 two other groups were covered by special provisions. Effective January 16, 1936, the civilian members of the staff of the United States Naval Academy were required to carry "a deferred annuity policy, having no cash surrender or loan provision, from a joint-stock life insurance corporation," and to register a monthly allotment of 10 percent of salary toward the purchase

of such an annuity, one-half of the allotment to be refunded by the Navy.³ In the event that the amount of annuity so purchased is less than \$1,200 per annum, the Secretary of the Navy is empowered to pay the difference. Effective June 1, 1936, the employees of the Examining Division of the Bureau of the Comptroller of the Currency who receive their compensation from assessments on banks were covered by a special system administered by a board of trustees under rules and regulations prescribed by the Comptroller of the Currency.

The newest system is that of the Tennessee Valley Authority, effective November 1, 1939, which is administered by a board of directors of seven, three members representing the Authority, three the employees who are members of the system, and one elected by these six. The Tennessee Valley Authority retirement system was established by the Board of Directors of the Authority under the broad powers granted by the act creating this agency. It covers employees of the Authority who are employed at an annual rate of pay.

Employees covered by these five retirement systems aggregate 21,600, as follows:

Federal Reserve.....	12,066
Tennessee Valley Authority.....	7,710
Foreign Service.....	1,878
Comptroller of the Currency.....	887
Naval Academy.....	875

¹ Includes Foreign Service personnel transferred from the Departments of Commerce and Agriculture to the Department of State as of July 1, 1939.

² In addition to the 75 civilian instructors who are purchasing annuities under the special retirement plan, there were, in June 1941, 4 civilian instructors covered by the civil-service retirement system and 5 not covered by either system.

Contributions

The rates of employee contributions under these special retirement systems are higher than the 3½ percent established in the Civil Service Retirement Act. Under the Foreign Service, the Canal Zone, and the Alaska Railroad retirement systems

³ This provision (United States Code Annotated, Title 34, Navy, §1073-1073 (e)) affects so small a number that this system is included in only the more important analyses below.

* Bureau of Employment Security, Unemployment Compensation Division. This article was written while Miss Reticker was a member of the staff of the Division of Coordination Studies, Bureau of Research and Statistics.

¹ See Reticker, Ruth, "Benefits and Beneficiaries Under the Civil Service Retirement Act," *Social Security Bulletin*, Vol. 4, No. 4 (April 1941), pp. 29-42.

² Congress had earlier passed the District of Columbia Policemen and Firemen's Relief Act (1885) and the District of Columbia Teachers' Retirement Act (1920). Since these systems correspond to municipal retirement systems for policemen and firemen and to State or municipal retirement programs for teachers, they are not discussed here.

the rate is 5 percent. In the systems of the Federal Reserve, Tennessee Valley Authority, and Comptroller of the Currency, the rates vary with the employee's sex and age upon entering the service. The minimum and maximum rates are as follows:

System	Men	Women
Federal Reserve Banks:		
Minimum, 18 years	3.77	3.72
Maximum, 64 years	9.00	9.94
Comptroller of the Currency:		
Minimum, 18 years	5.11	5.25
Maximum, 64 years	9.63	10.62
Tennessee Valley Authority:		
Minimum, 17 years	4.28	4.80
Maximum, 59 years	7.87	8.81

Each individual who was an employee and who became a member as of the date of establishment of the respective system pays a higher rate on account of his prior service. Under the first two systems listed above, the contribution rate is limited to 6 percent or the rate for a new entrant member at the same attained age, whichever is greater. Under the Tennessee Valley Authority, rates vary up to 55.09 for men and 61.67 for women, at age 59 and claiming the maximum prior service of 6 years, but contributions cease at age 60 unless a member wishes to continue them.

Additional voluntary deposits for the purchase of additional annuity are provided under three acts: for the Foreign Service, in multiples of 1 percent of basic salary; in the Federal Reserve Banks and the Bureau of the Comptroller of the Currency, an increased percentage of regular contributions or lump-sum deposits.

Employee contributions for the most recent fiscal years⁴ aggregated \$2,594,566, as follows:

Federal Reserve Banks	\$1,248,330
Foreign Service:	
Mandatory deductions	220,037
Voluntary deductions	21,121
Deposits for service credit ¹	74,868
Tennessee Valley Authority	858,846
Comptroller of the Currency	157,640
Naval Academy	13,724

¹ Deposits for service credit are high because of the transfer of former foreign commerce officers and agricultural officers to the Department of State.

During the first 5 years of the operation of the retirement system, the Federal Reserve Banks contributed almost \$12 million to cover the prior

⁴ Data relate to fiscal years ended as follows: Federal Reserve Banks, February 24, 1941; Foreign Service, June 30, 1941; Tennessee Valley Authority, June 30, 1941; Comptroller of the Currency, May 31, 1941; Naval Academy, June 30, 1941.

service of their employees. They have also made special contributions of \$712,000 (\$65,000 in 1940-41) to increase the annuity allowances of retiring members.

Statutory Retirement Ages

In general, the statutory retirement ages in the special Federal retirement systems correspond to the lower retirement ages provided in the Civil Service Retirement Act for groups in hazardous occupations. In the Foreign Service, under the act as amended in May 1941, retirement is automatic at age 65 for officers who have rendered at least 15 years of service, except that the period of service may be extended to age 70 at the discretion of the President. An officer with 30 years of service may, at the discretion of the Secretary of State, be retired on full annuity at age 50; an officer with 15 years' service who has reached the age of 50 may, at the instance of the Secretary, be retired on an annuity based on his actual period of service. The report of the Secretary of State recommending the amendment of the act to permit retirement at age 50, instead of 60 as previously, states that "experience has shown that the continued strain of 30 years or more of service representing this Government in foreign countries in widely different climates and environments makes it desirable both from the standpoint of the Government and of officers that retirements should be authorized by law, commencing at a minimum of 50 years of age."

In the Federal Reserve Banks and the Bureau of the Comptroller of the Currency, retirement is automatic 90 days after attainment of age 65, with a possibility of five 1-year extensions at the request of the employing bank or, under the latter system, of the Division Chief. In the latter system any employee with 30 years of service may retire at any age.

In the Tennessee Valley Authority, retirement is optional between the ages of 60 and 69 and compulsory at 70, except that, during the first 5 years the system is in operation, the service of any member over 70 may, if he desires, be extended at the request of the Authority for 1 year for each such request. For civilian teachers at the Naval Academy, retirement for age is effective on any day between the member's sixty-fifth birthday and the following 30th of June on which employ-

ment may be terminated, unless extended by the Secretary of the Navy "in individual and special cases," but not beyond the seventieth birthday.

The special systems contain more liberal provisions than the Civil Service Retirement Act for retirement prior to the regular retirement age or with less than the service required for full benefits. The plans of the Federal Reserve Banks, the Comptroller of the Currency, and the Tennessee Valley Authority provide for a special service retirement for involuntary separation after 10 years of service. The details vary as follows:

System	Age	Payment of annuity
Federal Reserve.....	50-64.....	Immediate or deferred.
Tennessee Valley Authority.....	Under 50.....	Deferred to age 65.
Comptroller of the Currency.....	No specific requirement.	Immediate or deferred to age 60.
	55.....	Immediate.

In 1941 such special service retirements represented 19.5 percent of all retirements under the Federal Reserve system. There were no special retirements of members of the Bureau of the Comptroller of the Currency or of the Tennessee Valley Authority system.

An officer of the Foreign Service who is separated from the service for inefficiency after 15 years of service is eligible for an annuity equal to 25 percent of his salary at retirement, if he is 45 years of age or over; if he is under 45, he may receive a bonus of 1 year's salary or a return of his contributions with interest, whichever is greater.

The Benefit Formula

The benefit formulas under these retirement systems vary in detail, but all are based on average salary and years of service and are not, therefore, weighted in favor of the lower-paid employee as is the civil-service retirement annuity. Foreign Service officers receive, for each year of service up to 30, 2 percent of their average annual basic salary for the 10 years preceding retirement. Employees of the Tennessee Valley Authority receive, for each year of service, approximately 1½ percent of their average compensation over any 10-year period, although the actual amount is determined by a formula similar in most respects to that of the following systems.

The formula used for employees of the Federal Reserve Banks and for those of the Comptroller of the Currency is more complicated. Their re-

tirement benefits consist of an annuity purchasable with the employee's accumulated contributions, a pension purchasable with the employer's contribution and equal to three-fourths of 1 percent of the average annual salary for each year of service after the establishment of the system and prior to age 65, and an allowance of 1½ percent for each year of service prior to the establishment of the system. Under all the systems, the formulas for disability retirement and special service retirement prior to the minimum statutory age yield smaller amounts per year of service; under the Federal Reserve system a disability allowance is ordinarily not less than 25 percent of the average salary.

Retirement Annuities

According to the most recent data, almost 700 individuals are receiving monthly retirement or disability annuities under these special retirement systems. Their annual payments exceed \$760,000, as follows:

System	Number	Annual amounts payable
Federal Reserve Banks.....	550	\$409,050
Foreign Service.....	114	324,468
Comptroller of the Currency.....	17	17,667
Civilian Instructors at the Naval Academy.....	7	8,400
Tennessee Valley Authority.....	3	1,212

¹ Of this amount, \$1,536 represented annuities purchased by the members and \$6,864, amounts paid by the Secretary of the Navy to bring the total benefits up to the specified minimum of \$1,200 a year.

Tables 1 and 2 present data for the two larger systems in detail.

Average Annuities

The average annuities paid retired employees of the Federal Reserve Banks are lower than those paid under the Civil Service Retirement Act. This disparity arises in part from the difference in benefit formula but also from the shorter potential length of service. The maximum service, including prior service, is now 27 years; the maximum period of contributions, less than 8 years. As of February 28, 1941, the end of the most recent year, the average annuity for members retiring at age 65 was \$845; for special retirements at an earlier age, \$639; and for disability annuitants, \$475.

In contrast, the average annuity for aged Foreign Service officers in 1940 was \$3,248; for disabled officers, \$2,320. These high averages

reflect the higher salaries of the Foreign Service officers and the longer potential length of service as well as a more liberal benefit formula. Charles B. Hosmer, Chief of the Office of Fiscal and Budget Affairs, in hearings on the Department of State Appropriation bill for 1941 called attention to the fact that "about a third of our people are located in posts where not only they, but also their families, are in actual danger. . . . Many of our people cannot obtain insurance of the ordinary kind . . . on account of the dangerous areas in which they serve, dangerous because of hostilities, earthquakes, and other catastrophes, and the tropical and unhealthful posts at which others serve, where in many instances good medical facilities are not even available."

The average annuity for age and disability retirements combined was \$1,039 in the fiscal year ended May 31, 1941, for former employees of the Examining Division of the Bureau of the Comptroller of the Currency. All retired civilian instructors of the Naval Academy are receiving the minimum annuity of \$1,200, because of the fact that in no case are the amounts purchasable by contributions since the initiation of the system higher than this sum.

Disability Annuities

All the special contributory systems for Federal employees provide disability annuities. The requirements for such retirement vary markedly among the different systems. None requires the long service (30 years) or alternative age (60 years) of the Railroad Retirement Act. In the Foreign Service 15 years of service is required; in the Tennessee Valley Authority, 5 years; in

Table 2.—Department of State, American Foreign Service retirement and disability system: Number on roll and annual amount payable, by type of annuity, 1937–41

Fiscal year ended June 30	Total		Retirement annuities		Disability annuities		Survivors annuities	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1937.....	80	\$238,290	67	\$206,025	13	\$32,265	0	0
1938.....	84	271,007	72	240,365	12	30,642	0	0
1939.....	87	284,454	75	254,382	12	30,072	0	0
1940.....	97	295,782	79	256,581	15	34,806	3	\$4,395
1941.....	120	366,240	99	323,890	15	34,641	6	7,700

Source: Data supplied by U. S. Department of State, Division of Foreign Service Administration.

the Federal Reserve Banks and the Bureau of the Comptroller of the Currency, only 1 year.

Disability is defined variously also. In the Foreign Service it is "total disability for useful and efficient service by reason of disease or injury, not due to vicious habits, intemperance, or wilful misconduct." In the Federal Reserve Banks and the Bureau of the Comptroller of the Currency, the definition is more strict in view of the minimum service required; a Medical Board must certify that the claimant is "totally incapacitated mentally or physically for further performance of duty [and] that such incapacity is likely to be permanent." The Tennessee Valley Authority definition is similar—"permanently incapacitated mentally or physically for further performance of duty." In the Federal Reserve Banks and the Tennessee Valley Authority, a disability annuitant may be required to "submit to a disability examination at least once in each calendar year for the purpose of determining his condition."

For all but one system the proportion of disability retirements is smaller than under the civil-service

Table 1.—Federal Reserve Banks, retirement system: Number on roll and annual amount payable, by type of annuity, 1935–41

Fiscal year ended February 28	Total ¹		Retired members						Survivors	
			Age and service		Special service		Disability			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	1935.....	87	\$38,504	74	\$30,320	13	\$8,274
1936.....	204	106,322	152	81,547	8	\$1,965	43	22,645	1	\$165
1937.....	361	257,089	241	194,315	53	30,271	64	32,002	3	501
1938.....	441	324,107	292	242,095	67	44,770	79	36,741	3	501
1939.....	489	357,318	317	262,700	86	54,419	83	39,638	3	501
1940.....	521	383,427	337	279,204	95	62,016	86	41,706	3	501
1941.....	554	409,674	351	290,757	108	69,041	91	43,252	4	624

¹ Excludes deferred allowances payable at future dates; in 1941 there were 9 such allowances.

Source: Retirement System of the Federal Reserve Banks, *Annual Reports* 1–7, 1934–35 to 1940–41.

retirement system (25 percent); this difference is due, in part, to the lower ages at which age and service retirement is provided. As of February 28, 1941, 17 percent of all retired annuitants under the Federal Reserve system and, as of June 30, 1941, 16 percent under the Foreign Service system were disability annuitants. There were 3 disability annuitants out of a total of 17 retired members of the system of the Comptroller of the Currency as of May 31, 1941. Two of the three retirements to June 30, 1941, under the Tennessee Valley Authority retirement system have been disability retirements.

Survivor Benefits

None of the miscellaneous Federal retirement systems makes provisions for survivors of employees or annuitants comparable with those of the old-age and survivors insurance program under the Social Security Act, but several are more liberal than the civil-service retirement system in their provisions for survivors of employees who die while in active service. All provide for lump-sum payments equal to contributions and interest. The Federal Reserve system adds a year's salary (payable in installments in its discretion at the request of a member or of his beneficiary); that of the Tennessee Valley Authority adds one-half of the last year's salary; and that of the Comptroller of the Currency, one-fifth of the last year's salary.

All the systems provide for election of various joint and survivor options, under which the amount of the retirement annuity is reduced in accordance

Table 4.—Department of State, American Foreign Service retirement and disability system: Payments by types, 1937-41

Fiscal year ended June 30	Total	Annuities	Refunds to separated employees ¹		Lump-sum death payments			
					Deceased employees ²		Deceased annuitants ³	
			Number	Amount	Number	Amount	Number	Amount
1937----	\$267,453	\$228,307	4	\$8,637	3	\$19,728	9	\$10,781
1938----	319,202	257,038	7	25,747	2	23,208	5	13,200
1939----	316,239	274,801	6	13,510	7	20,646	5	7,282
1940----	341,635	297,230	12	30,408	2	12,799	2	1,198
1941----	352,598	330,772	10	18,533	4	3,293	0	0

¹ Includes refunds to employees who resigned in fiscal years other than year for which the amounts are furnished. Refunds are not made until a balance settlement of the employee's final accounts is received from the General Accounting Office. Refund not necessarily made in fiscal year in which employee was separated from the Service.

² Includes refunds to estates of deceased employees. Such payments are not made until a balance settlement of the deceased employee's final accounts is received from the General Accounting Office. Refund not necessarily made in fiscal year in which employee was separated by death in active service.

³ Includes annuities paid to annuitants prior to death (which occurred during current fiscal year) plus refund of any excess of contributions over annuity payments paid to estates of deceased annuitants.

with the proportion of the annuity elected for the survivor and the ages of the two persons. If a survivor annuity is not elected (or a life annuity which forfeits any balance of the employee's contributions to the fund), any unexpended balance of deductions is paid to the designated beneficiary or legal representative of an annuitant under all systems except that of the Tennessee Valley Authority. A special provision in the Foreign Service act, effective July 1, 1939, gives the widow of an officer who dies before retirement, after 15 years of service and after 5 years of marriage, an annuity equal to the maximum annuity which she would have received had the officer been retired on the

Table 3.—Federal Reserve Banks, retirement system: Payments by type, 1935-41

Year ended February 28	Retirement allowances paid	Death benefits, retired members		Death benefits, active members		Deferred death benefits ³	Death benefits pending ⁴	Refunds to separated employees	
		Number ¹	Amount awarded ²	Number ¹	Amount awarded ²			Number ¹	Amount
1935-----	\$22,621	4	\$11,760	54	\$167,577	-----	\$2,372	1,070	\$27,067
1936-----	82,271	7	59,835	35	82,045	\$301	-----	1,300	102,017
1937-----	197,836	18	68,140	32	70,966	7,523	7,207	2,316	265,277
1938-----	286,921	9	29,200	34	118,889	23,604	7,869	1,350	170,176
1939-----	333,583	13	89,321	37	146,228	111,201	2,223	1,031	143,069
1940-----	365,161	21	109,600	39	128,894	166,654	7,958	1,629	181,048
1941-----	389,685	15	51,581	36	106,780	164,175	1,467	1,787	226,826

¹ Represents number of annuitants to whose survivors lump-sum death benefits were awarded, not number of deceased retired members. Many retired members elected a forfeiture option, with no rights for survivors.

² For years 1938 on, includes benefits payable to beneficiaries of members who elected lump-sum payments in combination with other benefits; also includes death benefits payable in deferred installments shown also under "Deferred death benefits" and unsettled claims at year end, shown also under "Death benefits pending."

³ Number of deceased employees.

⁴ Includes active members' death benefits payable in deferred installments,

shown also under "Deferred death benefits" and any death claims for active members not settled at year end, shown also under "Death benefits pending."

⁵ Represents that portion of the cumulative amounts awarded in deferred death benefits remaining at end of year, to be paid in future years.

⁶ Represents any active or retired death claims not settled at year end.

⁷ Includes temporary employees with less than 1 year of service (826 in 1941).

Source: Retirement System of the Federal Reserve Banks, *Annual Reports* 1-7, 1934-35 to 1940-41.

date of his death and had he elected a reduced joint and survivor annuity with maximum survivor allotment. In addition, the Foreign Service employees participate, on a voluntary basis, in a group life insurance plan with a commercial insurance company.

The survivors' benefits currently payable under these various systems are inconsiderable— For the Foreign Service, \$7,709 to six annuitants; for the Federal Reserve Banks, \$624 to four annuitants, as of the end of the fiscal year 1941.

More substantial amounts are paid in lump-sum death benefits. The amounts paid in the most recent fiscal year for which data are available are as follows:

System	Number ¹	Amount
Federal Reserve Banks:		
Deceased employees.....	36	\$106,780
Deceased annuitants.....	15	\$51,581
Foreign Service:		
Deceased employees.....	4	3,293
Deceased annuitants.....	0	0
Tennessee Valley Authority: Deceased employees.....	9	11,411
Comptroller of the Currency:		
Deceased employees.....	13	13,903
Deceased annuitants.....	1	4,319

¹ Number of deceased annuitants on whose account lump-sum payments were made.

² Represents amounts awarded. At end of 1940-41, death benefits of \$164,175 were being paid in installments.

Operating Statistics

The total payments under the various systems during the most recent fiscal year aggregated \$1,255,381, as shown in table 5. The growth of the two older systems is shown in tables 1-4. The Foreign Service retirement system is growing slowly; annual disbursements increased 31.8 percent from the fiscal year 1936-37 to 1940-41 (table 4). From the fiscal year 1936-37 to 1940-41, retirement allowances paid under the retirement system of the Federal Reserve Banks have increased 97 percent (table 3). Payments increased very rapidly during the first 4 years of the system but the rate of increase has slackened.

Relationship with other retirement systems.—None of these systems provides for the automatic transfer of retirement credits from one system to another when employees transfer in or out of employment covered by the systems. However, if prior to appointment as a Foreign Service officer an individual has served in the classified or unclassified civil service of the United States or of the District of Columbia (including service at different times in the regular departments, independent offices, or the legislative branch of the

Table 5.—Payments under Federal contributory retirement systems other than civil service, fiscal year 1940-41

System	Total	Employee annuity payments	Survivor annuity payments	Lump-sum death payments	Refunds to separated employees
Federal Reserve Banks.....	\$775,072	\$389,354	\$5,311	\$158,361	\$226,826
Foreign Service.....	352,598	324,468	6,304	3,293	18,533
Comptroller of the Currency.....	52,776	15,752	0	18,222	18,802
Tennessee Valley Authority.....	66,535	505	0	11,411	54,619
Naval Academy.....	8,400	8,400	-----	-----	-----

¹ Amounts awarded.

Government, or service in the Army, Navy, Marine Corps, or Coast Guard of the United States) such service may be counted if the officer deposits 5 percent of his annual salary for each year of employment subsequent to the establishment of the Foreign Service retirement and disability fund. During the fiscal year 1939-40, 76 employees, principally foreign agricultural agents and foreign commerce agents transferred to the State Department on July 1, 1939, deposited \$204,000 for service credit, in amounts ranging from \$10 to \$9,578. Some portion of these amounts may have been refunds from the civil-service retirement and disability fund, covering deductions at 2½ percent prior to July 1, 1926, and 3½ percent after that date.

Several of the systems provide against duplication of coverage with the Civil Service Retirement Act. Civilian members of the teaching staffs of the Naval Academy who were covered by the Civil Service Retirement Act when the Naval Academy established its annuity policy in 1936 were allowed to continue under the former retirement system. Employees of the Tennessee Valley Authority who are covered by the Civil Service Retirement Act are specifically excluded from membership in the Tennessee Valley Authority retirement system, and the rules and regulations of the Federal Reserve retirement system provide that no employee may be a contributing member of the civil-service retirement and disability fund and of the Federal Reserve system at the same time. The Retirement Board of the Tennessee Valley Authority has established the policy that any amounts paid or payable by the United States Employees' Compensation Commission shall be deducted from any benefits payable from the Authority's retirement fund in case of death or disability.

Special System of the Smithsonian Institution

The Smithsonian Institution has a special retirement system for its employees (numbering about 50) who are paid in whole or in part from its private funds. Although the system has not been included here as a retirement system for Federal employees, it is of interest because it supplements the civil-service retirement system in much the same way as some private employers have supplemented the old-age and survivors insurance provisions of the Social Security Act.

Employees who are paid in part from the Federal Government and in part from the Smithsonian Institution contribute $3\frac{1}{2}$ percent of their salary from the Federal Government to the civil-service retirement and disability fund and $3\frac{1}{2}$ percent of the remaining salary to the Smithsonian Institution employees' retirement fund. Upon retirement, such an employee receives his regular civil-service retirement annuity and, in addition, bene-

fits based on his Smithsonian Institution salary computed as the appropriate proportion of the retirement allowance for his total salary on the Institution's benefit scale. Such benefits vary from 75 percent of the average salary for the last 10 years of service, for salaries of \$1,800 or less, to 33 percent for salaries of \$6,000 or more and 15 years of service; proportionately less is paid for less than 15 years of service.

This system also pays to certain employees who were blanketed into civil service on July 1, 1928, an allowance after retirement "of such amount as added to the Government allowance would produce a total equal to the maximum normal allowance he would have received had he served the necessary number of years under the civil service, provided that in no case shall such a total allowance exceed \$1,200." Such a provision does not apply to employees transferred from the pay roll of the Institution to the Federal pay roll.

Farm Labor Market Conditions, January to October 15, 1941*

THE 1941 CROP SEASON brought much public concern over actual or impending shortages of farm labor. Because farm workers were attracted to defense industries, there was a prospect that supplies of farm labor might be reduced to the point where crop production would suffer, or where the economic position of farmers would be in jeopardy. With the completion of major harvest activities, however, it became apparent that the farming season had been a successful one. According to the United States Department of Agriculture, there were few substantiated reports of crop loss or curtailment because of difficulties in obtaining farm workers.¹ As of October 15, aggregate crop production was expected to approximate the high record established in 1937. With the exception of cotton, peanuts, and tobacco, the production of major crops was considerably greater in 1941 than in 1940. At the same time, in spite of an increase of about 15 percent over 1940 in production costs (occurring chiefly in expenses for labor, rent, and feed), higher farm prices have resulted in a substantial increase in net returns to farmers. Net income to farm operators in 1941 was expected to be higher than in any year since 1920.

Although essential farm activities were successfully completed, there is evidence that the supply of workers willing to accept farm employment was considerably reduced during 1941. Reports submitted monthly to the Bureau of Employment Security by each of the State employment services from January 1, 1941, to October 15, 1941, reflect some of the outstanding developments which affected the supply of farm labor during the 1941 season.

Nature and Extent of Farm-Labor Shortages

During the winter and early spring months, reports received indicated that considerable difficulties were anticipated in farm-labor recruitment. As the farm season progressed, these problems did not develop to the full extent that had been feared.

During the midsummer peak of farm activity, major difficulties in recruiting farm labor on a State-wide scale were reported by less than one-third of the 47 States furnishing information on agricultural labor-market conditions. While most of the remaining States reported some curtailment of farm-labor supplies, the resultant difficulties were temporary or were confined to limited areas. From August 1 to October 15, most of the State employment services reported that supplies of farm labor were generally adequate to meet seasonal requirements, and recruitment problems were encountered less frequently than during the early summer months.

The States most affected by curtailed farm-labor supplies were those in the Eastern Dairy,² Middle Eastern,³ Range,⁴ and West Coast⁵ areas. In general, the Cotton Belt, the corn-producing States, and most of the Middle Western grain-producing States experienced few difficulties in recruiting farm workers.

The recent decrease in the supply of farm labor is attributable to the defense program, which brought industrial employment opportunities even to the unskilled workers who mainly make up the farm-labor force. Industrial wages, high in relation to those in agriculture, attracted workers to employment in defense activities; better hours and working conditions contributed further to the competitive advantage of industry over agriculture. Reports from the State employment services furnish considerable material showing the movement of workers away from farm employment into industry. Migration from rural to urban areas has been particularly marked in New England and the Northeast, where heavy concentration of defense industries has greatly increased industrial employment. The hiring of agricultural workers on defense construction projects in the South and Southwest frequently created special difficulties for farmers in the

* Prepared in the Reports and Analysis Division, Bureau of Employment Security.

¹ U. S. Department of Agriculture, *The Agricultural Labor Situation*, Aug. 15, 1941; *The Farm Income Situation*, October 1941; *The Midmonth Local Market Price Report*, October 1941; and monthly farm-labor reports.

² New England, New York, and Pennsylvania.

³ Delaware, Maryland, New Jersey, North Carolina, Virginia, and West Virginia.

⁴ Arizona, Colorado, Montana, Nevada, New Mexico, Texas, Utah, and Wyoming.

⁵ California, Idaho, Oregon, and Washington.

vicinity of these projects, although several Southern States noted a surplus of unemployed agricultural workers in areas where construction projects had been completed. Migration of agricultural workers to defense industries located along the West Coast and to construction projects and defense industries throughout the West was held responsible for a decrease in available farm workers west of the Mississippi.

Experienced hired hands doing work involving a certain amount of mechanical skill and training appear to have been more successful in obtaining defense employment than farm workers employed on a more casual or seasonal basis. As the result of such shifts in employment, practically all important dairy-farming States reported marked difficulties in recruiting experienced dairy hands. In most of these areas this shortage had become chronic, notably in the Eastern Dairy area, the Great Lakes Dairy States (Michigan, Minnesota, and Wisconsin) and in the dairy areas of the West Coast.

While the low agricultural wage level was considered by most States as primarily responsible for the general trend of workers away from farm employment, other factors, such as the drafting of young men into military service, local housing shortages, and lack of transportation to the job, have been frequently mentioned as adding to difficulties in recruiting farm labor.

Methods of Dealing With Farm-Labor Shortages

Farm wage increases during the 1941 season were general throughout the country and furnish corroborative evidence of a tight agricultural labor market. Reports from State employment services give numerous examples of increased wage rates paid by farmers in order to retain or attract labor in the face of competition from industry. In a number of instances, better transportation facilities or money for transportation expenses were also offered. Wage-rate statistics published by the Agricultural Marketing Service of the Department of Agriculture indicate a substantial increase, most of which occurred before July 1, in wages of workers paid on a monthly basis. Wages of these workers also rose slightly from July 1 to October 1, although in previous seasons they have usually remained stationary during this period. Average monthly farm wages for the country as a whole rose approximately 30 percent from October 1, 1940, to October 1, 1941.

Cotton picking is a seasonal activity of major importance in the southern sections of the country, and is one of the few for which full information on piece rates is available. United States Department of Agriculture figures show that "rates paid for picking cotton . . . about November 1 averaged \$1.09 per 100 pounds of seed cotton for the United States. This is a 75 percent advance over the 62 cents paid last year."

The fact that an adequate supply of workers was obtained in most instances is attributable not only to the factors cited but also to many other adjustments. In some States, for example, previously imposed standards for farm workers were relaxed, and farmers employed racial groups against whom they had previously discriminated. Standards for age and experience were also modified, and very old and very young workers and those with little or no experience found jobs. In some areas, however, recruitment difficulties were not sufficient to break down traditional standards and prejudices.

Efforts to tap new sources of labor were greater than in previous years. A number of States reported action taken with the cooperation of Work Projects Administration officials to recruit WPA workers for farm jobs. In some localities WPA projects were shut down during the period of peak farm activity; in others only able-bodied workers considered capable of farm labor were released from WPA rolls. It was the general practice in many States to refuse further WPA employment to able-bodied workers unwilling to accept farm jobs. In several States such measures were apparently necessary because farm wages were lower than prevailing WPA rates.

National Youth Administration and Civilian Conservation Corps workers were temporarily released for farm labor in a number of instances. Recruitment of students for summer employment was successfully carried on in a great many localities. Such recruitment was particularly important throughout all the States in the Eastern Dairy area, where students comprised the bulk of seasonal labor. In several States, school openings were delayed or individual students were temporarily excused from attendance in order to harvest the fall crops. The use of women not ordinarily employed on farms was also a significant factor in meeting demand for farm labor in some States.

While most of the hiring and recruiting of farm labor was carried on in an unorganized manner, efforts of the employment services and other groups to organize and direct the flow of farm labor were more effective than in previous years. The employment services of many States took the initiative in mobilizing workers in the local communities. Newspaper and radio publicity sponsored by the State services was widely used to advertise openings in farm jobs. In several of the Western States the employment services devised methods of directing migrant workers entering the State to points where farm labor was needed. A number of State employment services used clearance procedures to direct workers from areas of lesser to areas of greater demand. These procedures were particularly effective in those areas depending on outside labor supplies to meet a large part of their seasonal requirements. Interstate clearance was extensive in the Pacific Coast area, and in the Southeast. Local clearance activities were important in the Dakotas, Colorado, Nebraska, and Nevada. Workers were also referred from Oklahoma to Arkansas; from Pennsylvania to jobs in New Jersey; from North Carolina to Virginia; and from Illinois and Indiana to Wisconsin.

Farmers' associations and individual farmers in several States imported labor from other areas. Farmers around Rochester and Batavia, New York, working through labor contractors, recruited Negroes from the South as harvest hands. Representatives of Michigan beet-sugar refineries obtained large numbers of beet harvesters in some Southeastern States. Planters in the Mississippi Delta imported cotton pickers from the hill sections of Mississippi and from adjoining States. Representatives of Utah food processors stimulated in-migration of considerable numbers of transients from Colorado and Arizona to assist in the tomato and peach harvests. Private employers in all the West Coast States quite generally recruited workers from other areas.

In many cases, farmers faced with reduction in the usual numbers of farm workers attempted to

cut their need for labor by using existing supplies more intensively. They exchanged labor among themselves or otherwise cooperated in the common use of hired labor to a greater extent than in previous years. Increased employment of farm women in some of the more highly skilled operations reserved in the past for men was noted in a few areas. Farmers themselves worked longer each day to complete the necessary work, while in some localities working hours of hired hands were lengthened. Efforts were made in several States by farmers and by the employment services to reduce waiting time between jobs by engineering a quick referral of workers from one location to another.

Mechanization of farm operations, which helped to reduce labor requirements, was reported by a number of States, although State employment services do not attempt to furnish inclusive information on this subject. Increased use of mechanical tobacco setters was noted in Kentucky, North Carolina, and Virginia. In some of the Southern States, machinery for peanut, rice, and sugar-cane harvesting was installed at an accelerated rate. North Dakota farmers purchased many combines, threshing machines, and binders. Sugar-beet production in Utah and vegetable and cotton harvesting in Texas and Arizona became more highly mechanized. Throughout the Corn Belt the increased use of mechanical corn pickers and tractors substantially reduced the need for farm labor.

While the concern over possible labor shortages characteristic of the spring months was not justified by later developments, there has been a general reduction in the surplus of farm labor which existed in previous years. This reduction was evidenced by an increase in farm wages during the 1941 season and by the steady absorption of rural workers in defense industries. Essential farm operations were completed in many areas only by the use of supplementary labor supplies, by greater than usual recruitment activities, by more efficient utilization of labor, and by greater mechanization of farm operations.

State and Regional Differences in Covered Employment and Taxable Wages, 1939

HERMAN SLOMIN*

IN HIS RECENT STATEMENTS on social security, the President recommended the extension of coverage to groups not at present included under the insurance provisions of the Social Security Act. This proposal serves again to focus attention upon existing shortcomings in the old-age and survivors insurance system, arising out of geographic differences in covered employment and taxable wages.¹ Measurement of such differences is important in any attempt to gauge the relative effect of these insurance provisions in the various regions of the country.

To what extent, for instance, does the working population in some States, as compared with others, enjoy a more favorable position in obtaining future insurance rights? To what factor or factors is this more advantageous position attributable? How do interstate differences in the extent of covered employment and the amount of taxable wages affect average benefit payments in the States?

Besides their importance in relation to the insurance program, State differences in covered employment and taxable wages are also significant from the standpoint of the public assistance provisions of the act. Federal matching of State funds for assistance to the needy aged and to dependent children is on a 50-50 basis. Therefore, if covered wage and employment differences among the States are extensive and result in a larger proportion of uninsured persons in some localities than in others, a disproportionate financial strain may be placed on some States.

The 1940 census data now provide an opportunity to measure the proportions of the population and the labor force engaged in covered employment in each State. This linking of old-age and survivors insurance wage data for 1939 with census data for 1940 furnishes valuable material on the degree of interstate variations.

*Bureau of Old-Age and Survivors Insurance, Analysis Division.

¹ For an earlier discussion of interstate differences in covered employment and taxable wages see Murray, Merrill G., and Wood, Katherine D., "State Differences in Characteristics and Average Taxable Wages of Covered Employees, 1937," *Social Security Bulletin*, Vol. 2, No. 9 (September 1939), pp. 13-24.

In all comparisons between these two types of data, the 1939 wage data are shown as ratios to the 1940 census figures. While the resulting proportions might be different if data for the same year were used, such a difference would be slight. Furthermore, the purpose of this article is not so much to show the exact ratio of covered employment to the population or labor force in any one State for a particular year, as to reveal the extent of interstate differences in covered employment and taxable wages.

It should be noted that the ratio of covered employment in 1939 to the labor force in 1940 is a comparison between a year's and a week's data. The labor force refers to those persons 14 years of age and over who were employed or seeking employment during the week of March 24-30, 1940, while persons engaged in covered employment in 1939 include all workers who earned taxable wages in that year irrespective of the length of covered employment. In addition, persons who designated themselves as part of the labor force during March 24-30, 1940, may or may not have been in that category in 1939 and vice versa. However, State differences, as shown by the data, would be little affected by the use of more nearly comparable data for the same year.

Causes of State Differences

Of the many divergent factors which account for State and regional differences in covered employment and taxable wages, the most important, for our immediate purposes, are those resulting from the exclusion of certain employments by the insurance provisions of the act. These differences, insofar as they are the result of legislative restriction, can be corrected more easily and quickly than other factors which are not ordinarily subject to legal control.

Except for agricultural labor, most of the excluded employments are widely diffused geographically and have little effect on State differences in covered employment and taxable wages. This is the case for such exclusions as governmental

employment, casual labor, domestic service—except in the Deep South—commercial and industrial self-employment, and employment in charitable and nonprofit institutions.

Among the measurable factors which, on the other hand, cause wide State differences in coverage, the exclusion of agricultural labor is numerically the most important. Agricultural employment² lends itself particularly well to such measurement because it is definitely concentrated in certain areas of the country. Another important measurable factor is the heavy concentration of covered employment in a relatively few States. The effects of these concentrations may be measured by comparing the proportionate amount of covered employment with the extent of agricultural employment and of urbanization³ in the various States and regions.

Other factors which influence the degree of State differences, but to lesser extent, are variations in wage rates, lengths of industrial seasonality, unionism and skill in covered industries, and personal characteristics of covered wage earners, such as age, sex, race, and health.

Covered Employment

In 1939, for the United States as a whole, the number of persons who worked at some time during the year in employment covered by the insurance provisions of the act represented 60 percent of the labor force in the 1940 census.

When the nine census divisions are arrayed in accordance with the ratio of workers with 1939 wage credits to the 1940 labor force, four regions—the New England, Middle Atlantic, East North Central, and Pacific, in that order—show percentages which are above the United States average (table 1). Predominantly industrial and commercial in nature, these four regions, which comprise 17 States⁴ with 55 percent of the total population, accounted for 58 percent of the Nation's labor force in 1940.⁵ At the same time, portraying the concentration of covered industry therein, they represented 67 percent of

Table 1.—Ratio of workers with 1939 taxable wages¹ to the 1940 labor force;² percentage distribution of all workers with 1939 taxable wages and of agricultural employment in 1940;³ and ratio of urban to total population in 1940;⁴ by census region

Census region	Ratio (percent) of workers with 1939 taxable wages ¹ to 1940 labor force ²	Percentage distribution of all workers with 1939 taxable wages ¹	Percentage distribution of agricultural employment in 1940 ³	Ratio (percent) of urban to total population in 1940 ⁴
United States.....	60.3	100.0	100.0	56.5
New England.....	75.3	8.5	2.4	76.1
Middle Atlantic.....	71.8	26.9	5.9	76.8
East North Central.....	67.0	22.8	14.0	65.5
Pacific.....	65.9	8.6	5.0	65.3
Mountain.....	64.1	2.5	4.3	42.7
South Atlantic.....	53.5	11.7	19.4	38.8
West North Central.....	45.8	7.4	16.1	44.3
West South Central.....	45.7	6.9	16.9	39.8
East South Central.....	39.2	4.7	16.0	29.4

¹ Data on workers with taxable wages in 1939 under old-age and survivors insurance are from annual tabulation of employee wage records; exclude wages in specified employments not covered by the program, railroad retirement account number holders, and wages in excess of the first \$3,000 a year from any 1 employer; also exclude persons of unknown age, sex, and race.

² Data on the 1940 labor force are from *Sixteenth Census of the United States: 1940* (preliminary releases). Represent those persons who were 14 years of age and over and who were employed or seeking employment during the week of March 24-30, 1940.

³ U. S. Department of Agriculture, Agricultural Marketing Service, *Farm Labor Reports*, 1940 (issued monthly).

⁴ *Sixteenth Census*, op. cit. The degree of urbanization is determined, in general, by the proportion of the population living in communities which have a population of 2,500 or more.

all workers with taxable wages in 1939. Significantly, these same four census regions included only 27 percent of all agricultural employment in 1940. They were, moreover, the only regions in which urbanization exceeded the United States average.

Obviously, a fairly close relationship exists between the degree of coverage and the extent of urbanization, since urban areas contain a predominant segment of the industrial and commercial activity of the country. Conversely, the degree of coverage has an inverse relation, generally, to the extent of agricultural employment. As a result, exclusion of agricultural employment from the insurance provisions of the program operates decidedly to the disadvantage of areas in which a substantial portion of the labor force is engaged in farming.

Except for more extensive variations, State differences in covered employment generally follow the regional patterns. When the States are arrayed by extent of urbanization, 13 States show proportions above the United States average (table 2). Containing the major industrial and business areas of the country, the 13 States include 4 in the New England region, all 3 in the

² Unfortunately, employment data on agricultural labor are as yet available only by census divisions and therefore must be measured primarily by such broad areas.

³ Generally, places with a population of 2,500 or more are considered urban areas in the census.

⁴ States as used in this article include the 48 States and the District of Columbia.

⁵ U. S. Department of Commerce, Bureau of the Census, *Sixteenth Census of the United States: 1940* (preliminary releases).

Middle Atlantic region, 3 in the East North Central, the leading industrial State of the Pacific Coast—California—and the District of Columbia and Maryland. These highly urbanized States accounted for 61 percent of all workers with taxable wages in 1939,⁶ although they represented only 49 percent of the total population and 52

⁶ 1939 annual employee tabulations of the Social Security Board, Bureau of Old-Age and Survivors Insurance, Analysis Division.

percent of the labor force in 1940.⁷ The remaining 36 States whose proportions of urban population in 1940 were below the United States average accounted for not less than 75 percent⁸ of all farm employment in 1940.

⁷ *Sixteenth Census of the United States, 1940, op. cit.*

⁸ Partially estimated on the basis of data from the United States Department of Agriculture, Agricultural Marketing Service: *1940 Farm Labor Reports* (issued monthly), and *Reliability and Adequacy of Farm Wage Rate Data*, Washington, D. C., February 1940, table 3.

Table 2.—States ranked by ratio of urban to total population in each State in 1940, and by ratio of workers with 1939 taxable wages to the total 1940 population, to the 1940 population aged 14 and over,¹ and to the 1940 labor force, by sex²

State	Ratio (percent) of urban to total population in 1940		Ratio (percent) of workers with 1939 taxable wages to—															
			1940 population												1940 labor force			
			Total				Male				Female				Total		Male	
			All ages		14 years and over		All ages		14 years and over		All ages		14 years and over		Total		Male	
			Percent	State rank	Percent	State rank	Percent	State rank	Percent	State rank	Percent	State rank	Percent	State rank	Percent	State rank	Percent	State rank
United States.....	56.5	—	24.2	—	31.6	—	34.6	—	45.2	—	13.7	—	17.8	—	60.3	—	57.2	—
District of Columbia.....	100.0	1	31.2	7	37.4	10	45.9	4	55.8	5	17.7	9	21.0	11	60.5	21	69.2	7
Rhode Island.....	91.6	2	38.0	1	47.6	1	49.3	1	62.8	1	27.2	1	33.4	1	84.3	1	78.9	1
Massachusetts.....	89.4	3	32.0	4	40.1	4	43.9	6	55.7	6	20.7	4	25.7	5	74.9	3	72.1	4
New York.....	82.8	4	33.1	3	40.9	3	45.0	5	55.9	4	21.2	3	26.1	3	74.5	5	70.6	5
New Jersey.....	81.6	5	30.7	8	38.0	9	42.4	9	52.9	10	18.9	6	23.4	6	68.7	11	65.7	12
Illinois.....	73.6	6	30.5	10	38.2	8	42.7	7	53.6	9	18.2	7	22.7	8	71.6	8	67.4	8
California.....	71.0	7	29.0	11	35.5	13	40.1	13	49.2	17	17.4	11	21.3	10	67.7	13	63.5	15
Connecticut.....	67.8	8	34.9	2	43.4	2	48.3	2	60.6	2	21.4	2	26.5	2	76.8	2	74.8	2
Ohio.....	66.8	9	27.4	14	34.8	14	40.4	12	51.4	12	14.4	16	18.3	16	68.7	12	65.7	13
Pennsylvania.....	66.5	10	27.9	13	35.9	12	40.7	11	52.6	11	15.0	13	19.3	13	69.2	10	66.9	9
Michigan.....	65.7	11	26.6	16	34.7	15	39.0	14	50.6	14	13.6	18	17.8	17	65.8	14	62.9	16
Maryland.....	59.3	12	27.1	15	34.7	16	38.8	15	49.8	15	15.2	12	19.5	12	64.0	16	62.2	17
New Hampshire.....	57.6	13	31.4	6	40.1	5	42.4	10	54.1	7	20.5	5	26.1	4	74.7	4	69.8	6
Utah.....	55.5	14	20.1	27	28.5	24	29.3	30	41.6	24	10.6	29	15.0	27	61.5	19	55.9	23
Florida.....	55.1	15	23.6	20	30.8	20	34.7	21	45.4	19	12.6	21	16.4	22	56.7	24	58.1	19
Indiana.....	55.1	16	24.8	19	31.9	17	36.2	17	46.8	18	13.2	20	17.0	21	63.9	17	59.7	18
Wisconsin.....	53.5	17	21.8	24	28.4	25	31.1	25	40.5	28	12.1	23	15.8	23	55.8	25	51.6	26
Washington.....	53.1	18	25.5	17	31.8	18	35.3	18	43.7	21	14.8	14	18.6	14	61.9	18	56.3	21
Colorado.....	52.6	19	21.9	23	28.7	23	31.5	23	41.3	25	11.9	24	15.6	24	57.9	23	54.0	25
Delaware.....	52.3	20	30.6	9	38.5	7	42.6	8	53.7	8	18.1	8	22.7	9	70.2	9	66.8	10
Missouri.....	51.8	21	22.0	22	28.1	26	30.2	26	38.8	32	13.8	17	17.5	20	54.8	26	49.0	31
Minnesota.....	49.8	22	18.5	34	24.0	37	25.0	36	32.4	39	11.6	26	15.1	26	46.5	35	41.4	39
Oregon.....	48.8	23	25.4	18	31.6	19	35.3	19	43.7	22	14.8	15	18.5	15	60.8	20	56.0	22
Texas.....	45.4	24	19.3	31	26.1	32	29.6	28	40.0	29	8.8	34	11.9	34	50.1	32	49.5	30
Iowa.....	42.7	25	16.7	39	21.7	39	24.0	38	31.1	41	9.4	31	12.2	33	44.7	39	40.0	41
Kansas.....	41.9	26	15.6	40	20.2	43	23.4	40	30.3	43	7.6	39	9.9	41	41.7	40	39.5	43
Louisiana.....	41.5	27	18.2	35	25.1	36	29.3	31	40.8	27	7.2	40	9.9	40	48.7	33	51.1	27
Maine.....	40.5	28	28.1	12	37.3	11	38.5	16	51.2	13	17.5	10	23.2	7	72.6	7	66.7	11
Nevada.....	39.3	29	31.5	5	40.1	6	46.2	3	57.3	3	13.4	19	17.6	19	73.9	6	72.4	3
Nebraska.....	39.1	30	15.5	41	20.2	42	22.1	42	28.9	45	8.7	35	11.4	37	40.8	44	36.6	45
Montana.....	37.8	31	19.4	30	25.5	33	22.8	41	37.1	34	8.7	36	11.6	36	48.3	34	46.6	34
Oklahoma.....	37.6	32	14.2	43	19.6	44	21.8	44	29.9	44	6.6	42	9.0	42	41.3	42	39.7	42
Wyoming.....	37.3	33	20.9	26	28.1	27	31.4	24	41.8	26	8.5	37	11.8	35	52.8	29	51.1	28
Virginia.....	35.3	34	19.7	29	26.9	30	28.6	32	39.0	31	10.8	27	14.6	29	51.0	30	48.6	32
Tennessee.....	35.2	35	16.8	38	23.2	38	24.4	37	33.9	38	9.4	30	12.8	31	46.0	36	42.7	38
Arizona.....	34.8	36	19.3	32	27.2	29	30.1	27	41.8	23	7.7	38	11.0	38	53.6	28	54.3	24
Georgia.....	34.4	37	18.1	36	25.3	35	25.8	34	36.3	36	10.7	28	14.8	28	45.7	37	44.3	36
Vermont.....	34.3	38	22.7	21	30.0	21	33.7	22	44.7	20	11.8	25	15.5	25	59.0	22	56.8	20
Idaho.....	33.7	39	19.8	28	26.9	31	29.6	29	39.6	30	9.0	33	12.4	32	54.1	27	50.3	29
New Mexico.....	33.2	40	13.8	45	20.4	41	21.7	45	31.7	40	5.5	47	8.3	45	41.3	41	40.8	40
Alabama.....	30.2	41	14.7	42	21.0	40	23.9	39	34.5	37	5.6	46	8.0	46	40.9	43	43.3	37
Kentucky.....	29.8	42	14.0	44	19.5	45	21.9	43	30.7	42	6.0	44	8.4	44	40.1	45	38.4	44
West Virginia.....	28.1	43	21.3	25	30.0	22	35.1	20	49.6	16	7.1	41	9.9	39	64.4	15	65.6	14
North Carolina.....	27.3	44	19.1	33	27.4	28	25.7	35	37.0	35	12.5	22	17.8	18	50.8	31	46.2	35
South Dakota.....	24.6	45	11.0	46	14.8	47	15.4	48	20.5	48	6.3	43	8.5	43	29.8	47	26.4	48
South Carolina.....	24.5	46	17.5	37	25.5	34	25.9	33	38.2	33	9.2	32	13.3	30	45.4	38	47.2	33
Arkansas.....	22.2	47	11.0	47	15.5	46	17.5	46	24.7	46	4.3	48	6.1	48	31.4	46	30.7	46
North Dakota.....	20.6	48	9.9	49	13.7	49	13.7	49	18.7	49	5.7	45	7.9	47	26.7	49	23.6	49
Mississippi.....	19.8	49	10.2	48	14.7	48	16.4	47	23.6	47	4.2	49	6.0	49	27.2	48	28.9	47

¹ Data on the 1940 population are from *Sixteenth Census of the United States, 1940* (preliminary releases).

² See table 1, footnotes 1, 2, and 4.

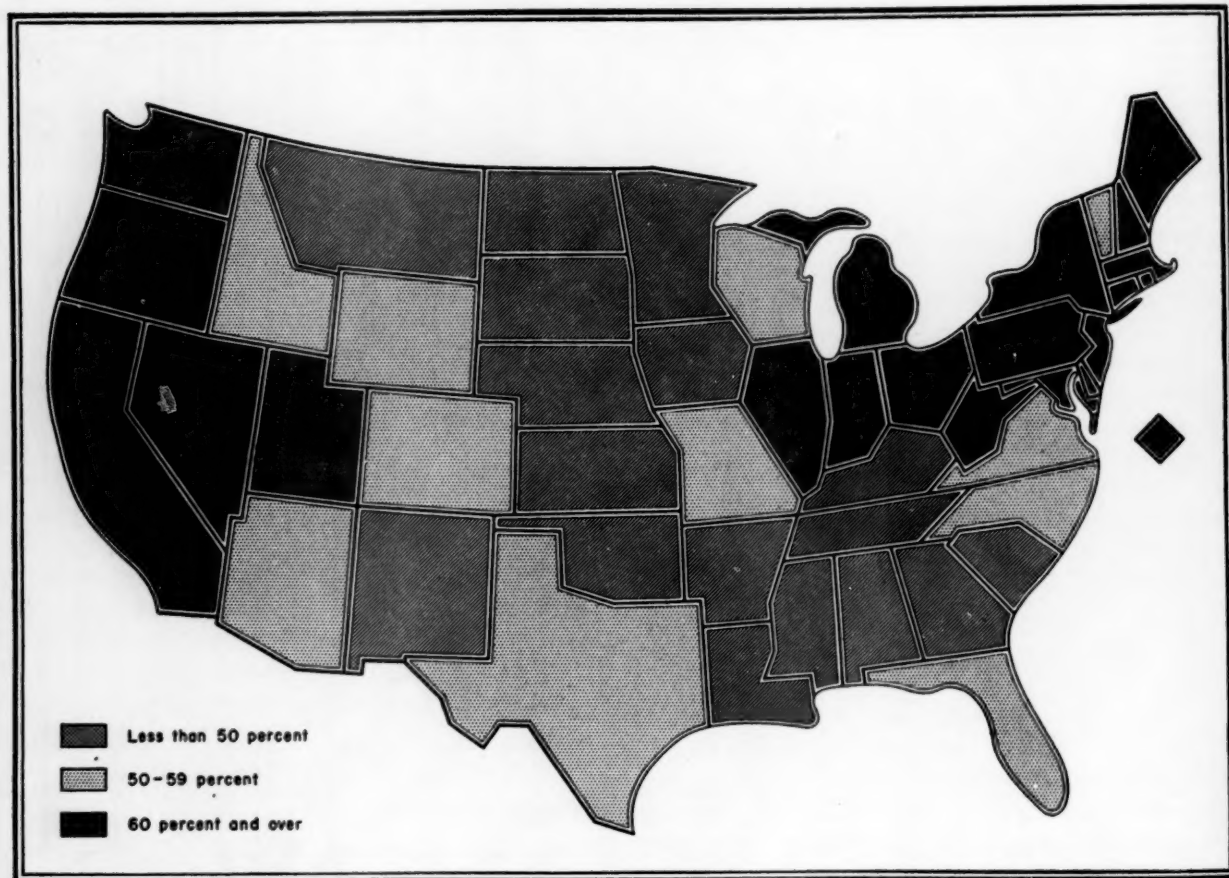
The proportion of the total population with 1939 wage credits ranges among the States from 10 percent in North Dakota to 38 percent in Rhode Island, representing a ratio from low to high of almost 1 to 4 (table 2). The proportion of persons 14 years of age and over with 1939 wage credits ranges between the same two States from a low of 14 to a high of 48 percent, showing a ratio of 1 to 3½. The respective ratios of workers with wage credits to the labor force in these two States show a spread of slightly more than 1 to 3 and range from 27 to 84 percent.

The extent of the concentration of covered employment in relatively few States is indicated by the fact that the 13 most highly urbanized States are included among the 16 States having the highest proportions of the total population with wage credits and also among the 16 States having the highest proportions of the population 14 years of age and over with wage credits. Twelve of these

13 States are included among the 16 States having the highest ratios of workers with wage credits to the labor force. Furthermore, in all instances the proportions of persons with wage credits in these 13 States are substantially above the United States averages.

The States showing the largest proportions with wage credits are located primarily in the highly industrial North and Middle East, and to a lesser extent in the Pacific area, while those with the smallest proportions are located in the highly agricultural South and Central Northwest sections of the country. In 17 largely agricultural States the ratio of workers with 1939 wage credits to the 1940 labor force was less than 50 percent, and in 4 of these 17 States, materially less than 40 percent. Twenty-eight States show a ratio below 60 percent; 12 States, between 60 and 69 percent; and only 9 States, 70 percent or more (chart 1). Since much of the covered employment in "farm"

Chart 1.—Ratio of workers with taxable wages in 1939 to the 1940 labor force, by State ¹



¹ See table 1, footnotes 1 and 2.

Table 3.—Ratio of workers with 1939 taxable wages to the population in 1940, for age groups 65 years and over and 45 years and over,¹ and 1939 per capita income payments,² by State

State	Ratio (percent) of workers with 1939 taxable wages to 1940 population		1939 per capita income payments ²
	65 years of age and over	45 years of age and over	
United States.....	6.3	20.3	\$541
Rhode Island.....	13.2	31.4	673
Connecticut.....	11.3	30.1	775
Nevada.....	11.0	27.9	877
Delaware.....	10.3	24.6	802
Massachusetts.....	9.4	27.5	713
Maine.....	9.3	24.7	487
Pennsylvania.....	9.3	25.6	585
New York.....	9.1	27.9	787
Vermont.....	8.7	19.1	484
New Jersey.....	8.1	24.5	793
New Hampshire.....	8.0	25.8	542
District of Columbia.....	7.9	21.3	1,011
Maryland.....	7.8	22.1	651
Ohio.....	7.3	23.2	607
Illinois.....	7.3	24.4	648
Washington.....	6.7	21.1	604
Wisconsin.....	6.4	18.6	505
Montana.....	6.1	17.5	542
Michigan.....	5.9	22.5	603
Indiana.....	5.7	18.9	508
West Virginia.....	5.7	21.9	384
Utah.....	5.6	18.2	458
Oregon.....	5.5	20.1	552
Colorado.....	5.4	17.8	529
California.....	5.4	21.4	765
Virginia.....	5.2	15.6	416
Wyoming.....	5.2	20.1	630
Minnesota.....	4.7	15.2	499
Idaho.....	4.7	17.6	452
Missouri.....	4.5	16.1	476
North Carolina.....	4.2	14.7	312
Florida.....	4.2	16.4	452
Arizona.....	4.2	16.3	465
Louisiana.....	4.0	15.0	352
Iowa.....	3.8	12.6	450
South Carolina.....	3.8	13.6	269
Kentucky.....	3.7	12.3	303
Tennessee.....	3.7	12.6	303
Texas.....	3.5	14.3	410
Georgia.....	3.4	12.6	297
Alabama.....	3.4	12.4	248
Kansas.....	3.0	10.9	395
New Mexico.....	2.9	11.9	331
Nebraska.....	2.5	11.2	419
Oklahoma.....	2.4	11.2	341
Arkansas.....	2.2	8.4	247
South Dakota.....	2.0	8.3	369
Mississippi.....	1.8	7.0	205
North Dakota.....	1.7	7.4	354

¹ See tables 1 and 2, footnote 1.

² U. S. Bureau of Foreign and Domestic Commerce, "Income Payments by States," *Survey of Current Business*, August 1941, p. 14, table 3.

States is highly intermittent, it is probable that the proportion of the labor force usually engaged in covered employment therein is even less than that shown by the data.⁹

⁹ See Murray, Merrill G., and Wermel, Michael T., "Movement of Workers Into and Out of Covered Employment, 1937 and 1938," *Social Security Bulletin*, Vol. 4, No. 2 (February 1941), pp. 12-16; and Safler, Fred; Quinn, Walter; and Fitzgerald, Edward J., "The Agricultural Wage Worker in Employment Covered by Federal Old-Age and Survivors Insurance," *Social Security Bulletin*, Vol. 4, No. 7 (July 1941), pp. 11-14.

Sex

The proportion of the male population with wage credits is slightly more than 2½ times that of females. The same situation holds for the population 14 years of age and over (table 2). The excess of the proportion of males with wage credits over that of females ranges from twice as much in Rhode Island to five times as much in West Virginia.¹⁰ There does not appear to be any tendency for this difference to be narrower in industrial and wider in agricultural States, probably because the opportunities in covered employment for both sexes are more or less proportionately restricted in agricultural and proportionately widespread in industrial areas.

For the United States and for most of the States,¹¹ the ratios of women with 1939 taxable wages to women in the 1940 labor force are markedly higher than similar ratios for men. This situation results from the lack of strict comparability between the composition of the male and female labor force engaged in covered industry. The female labor force represents all women 14 years of age and over who were employed or seeking employment during the week of March 24-30, 1940, including unpaid family workers. Women with 1939 taxable wages represent all women who earned taxable wages at any time during 1939, irrespective of the amount earned or the length of such employment. Thus housewives, who were not considered by the census as a part of the labor force and who probably did not consider themselves in that category during the week of March 24-30, 1940, may, at any part of the prior year, have worked for a few hours or a day in covered employment, thereby earning taxable wages. Consequently, a comparison with similar data for men is unsuitable.

Aged Wage Earners

Since the aged population comprises an important segment of the total population, and since the provisions of the old-age and survivors insurance program have a more immediate effect on older persons than on any other group, it is important to note the ability of the aged to secure covered employment in 1939. However, because

¹⁰ The predominance in West Virginia is attributable primarily to the State's extensive coal mining, which is occupationally restricted to men.

¹¹ Except for 5 States in the Deep South—Alabama, Florida, Louisiana, Mississippi, and South Carolina—and Arizona, the District of Columbia, and West Virginia.

data on the labor force by States and various age groups were not available from the Bureau of the Census at the time of writing, population data were used instead. Interstate variations resulting from population data would not be materially different from those based on the labor force.

While it would be valuable and interesting to note, by States, the proportions of the 1940 population 60 years of age and over, or 55 years of age and over, with taxable wages in 1939, data on these age groups were available only for United States totals. On this basis the proportion of the 1940 population 50 years of age and over with taxable wages in 1939 is 17 percent. For those 55 years of age and over it is 14 percent, and for those 60 and over, 10 percent.

Table 4.—Ratio of workers with 1939 taxable wages to the population in 1940, for age groups 25-44, 20-24, and 14-19, by State¹

State	25-44 years	20-24 years	14-19 years
United States.....	40.9	51.0	17.9
Rhode Island.....	59.6	75.7	34.6
Connecticut.....	53.3	72.1	27.1
New Hampshire.....	52.9	66.3	28.7
Massachusetts.....	50.7	65.5	26.6
New York.....	50.1	68.6	23.4
Maine.....	49.0	61.4	25.5
Delaware.....	48.9	57.8	27.1
Nevada.....	48.7	62.9	24.1
Illinois.....	48.0	63.9	24.5
California.....	47.4	57.4	21.0
Pennsylvania.....	46.4	57.9	16.1
New Jersey.....	46.0	63.8	28.1
Ohio.....	46.0	57.2	17.3
District of Columbia.....	45.5	59.7	25.9
Indiana.....	43.7	55.2	17.8
Michigan.....	43.7	58.3	19.9
Maryland.....	42.9	55.1	24.2
Oregon.....	42.7	51.8	18.1
Washington.....	42.3	51.6	17.2
West Virginia.....	41.0	43.7	10.6
Florida.....	39.4	49.2	23.5
Vermont.....	38.7	52.9	21.9
Missouri.....	38.5	47.9	17.9
Wisconsin.....	37.5	48.2	14.2
Colorado.....	37.3	47.5	18.8
North Carolina.....	36.5	42.1	14.9
Wyoming.....	35.8	40.2	15.5
Virginia.....	35.7	42.2	15.6
Arizona.....	35.6	41.8	15.4
Utah.....	35.2	47.8	17.9
Idaho.....	34.6	43.7	15.7
South Carolina.....	34.1	39.3	14.7
Texas.....	34.1	39.8	16.7
Montana.....	33.5	37.7	15.0
Georgia.....	33.4	39.3	16.7
Louisiana.....	32.6	36.8	14.9
Tennessee.....	32.1	36.5	11.7
Minnesota.....	31.1	42.5	13.1
Alabama.....	28.9	31.5	9.8
Iowa.....	28.6	38.6	16.4
Kentucky.....	27.8	29.9	8.1
Oklahoma.....	27.4	30.5	9.7
Kansas.....	27.1	37.3	14.9
New Mexico.....	26.6	31.7	11.8
Nebraska.....	26.5	38.6	14.6
Arkansas.....	21.5	24.5	8.4
Mississippi.....	20.1	24.9	7.8
South Dakota.....	19.9	26.9	9.1
North Dakota.....	18.3	24.1	8.1

¹ See tables 1 and 2, footnote 1.

The availability of material, by States, on the 1940 population 65 and 45 years of age and over furnished a means of computing the proportions of these age groups engaged in covered employment in 1939 (table 3). The vast majority of persons aged 65 and over were not in benefit status at this time, since monthly insurance benefits under the amendments to the act started on January 1, 1940. The amendments to the act which extended coverage to persons aged 65 and over were enacted in August 1939 and were made retroactive to the beginning of that year. Therefore, by the end of 1939 most of the persons over 65 years of age would have to be engaged in or seeking covered employment if they were to fulfill the minimum requirements for benefit status.

Only 6 percent of the 1940 population 65 years of age and over had taxable wages in 1939¹² (table 3), as compared with 32 percent of the population 14 years of age and over (table 2). Furthermore, the range among the States of the proportions of the population 65 and over with taxable wages extends from less than 2 percent in North Dakota to 13 percent in Rhode Island, showing a ratio of almost 1 to 8 as compared with 1 to 3½ for the population 14 years of age and over.

Of the 1940 population 45 years of age and over, 20 percent had taxable wages in 1939 (table 3). Among the States, these proportions ranged from 7 percent in Mississippi to 31 percent in Rhode Island, showing a ratio of 1 to 4½. Evidently, increases in age are accompanied by decreases in the proportions engaged in covered employment.

It is important to note that the highly agricultural States of the South and Central Northwest show extremely small proportions of the aged in covered employment. Of the persons 65 and over with wage credits, 22 States show proportions below 5 percent, and 32 States show proportions below the United States average of slightly more than 6 percent. Obviously, not only do older persons find it progressively more difficult to obtain covered employment and eventual insurance rights than persons of younger or middle ages, but, at the same time, it is apparent that this situation

¹² Although the rather small proportion of aged people with wage credits is attributable mainly to restrictive hiring policies in connection with older persons, another contributing factor is the late passage in 1939 of the amendments to the act. Prior to 1939 the wages of persons 65 and over were not taxable, and while the amendments allowing for such a tax were made retroactive to the beginning of that year, it is probable that not all such wages were actually reported. For this reason the proportion of the 1940 population 65 and over with 1939 taxable wages may be slightly understated.

will be more severe for the aged residents of agricultural States than for those of the industrial States.

Table 3 shows also the per capita income payments in 1939 in each State. The agricultural States of the South and Central Northwest show, generally, the smallest per capita incomes, a fact which appears to indicate the greater need of workers in these States for insurance protection under the Social Security Act. Yet these areas will contain, relatively, a larger concentration of uninsured persons because of the exclusion of their major occupation from coverage. Industry in these agricultural States, being predominantly of a noncovered nature, cannot furnish to many workers employment which would eventually provide insured status.¹⁵ The mitigating influence which the extension of coverage to farm workers would have in combating the hardships of old age would also lessen the strain on the revenue resources of agricultural States in making payments to the needy aged and dependent children.

The Young Wage Earner

State variations in the proportions of young and middle-aged workers in covered employment are not as extensive as in the case of older workers. The proportions of the 1940 population 25-44 years of age¹⁶ with 1939 wage credits range from 18 percent in North Dakota to 60 percent in Rhode Island, a ratio of slightly more than 1 to 3. For the age groups 20-24 and 14-19, similar range spreads—which occur again between North Dakota and Rhode Island—show ratios, respectively, of about 1 to 3 and slightly more than 1 to 4 (table 4).

Generally, these State differences are not so serious for younger and middle-aged persons because, even when their employment in covered occupations is not continuous, the younger worker may amass during his working lifetime the 40 quarters of coverage necessary to become perma-

¹⁵ Generally, before an individual can gain fully insured status under the insurance provisions of the act, he must have earned at least \$50 in taxable wages in each of half the calendar quarters which elapse during his working lifetime, or he must have had such earnings for 40 calendar quarters. A minimum of 6 of these quarters of coverage is required. For currently insured status, which would permit the payment of monthly benefits to his survivors, an individual must have had at least 6 quarters of coverage in the 12 calendar quarters immediately preceding the quarter in which he died. For more detailed information on the 1939 amendments, see "Federal Old-Age and Survivors Insurance: A Summary of the 1939 Amendments," *Social Security Bulletin*, Vol. 2, No. 12 (December 1939), pp. 3-16.

¹⁶ State distributions by smaller age groups are not as yet available from the Bureau of the Census.

nently insured. This is certainly not probable in the case of the older workers, especially those outside the white-collar and skilled classes. The situation is, of course, much more aggravated in those States where agricultural labor is predominant.

Race

Of all wage earners in 1939 with taxable wage credits, 93 percent were white¹⁷ and 7 percent were Negro workers (table 5). More than two-thirds of all Negroes with wage credits were accounted for by 16 Southern States,¹⁸ which represented 25 per-

Table 5.—Percentage distribution of workers with 1939 taxable wages, by State, race, and sex¹

State	White workers			Negro workers		
	Total	Male	Female	Total	Male	Female
United States.....	93.0	66.0	27.0	7.0	5.8	1.2
North Dakota.....	99.9	72.6	27.3	.1	.1	(2)
Idaho.....	99.8	78.3	21.5	.2	.2	(3)
Oregon.....	99.8	72.0	27.8	.2	.1	.1
Maine.....	99.7	68.9	30.8	.3	.2	.1
South Dakota.....	99.7	72.1	27.6	.3	.2	.1
Montana.....	99.7	79.0	20.7	.3	.3	(5)
Utah.....	99.7	74.0	25.7	.3	.2	.1
Washington.....	99.7	72.1	27.6	.3	.2	.1
New Hampshire.....	99.6	67.0	32.6	.4	.3	.1
Minnesota.....	99.6	69.3	30.3	.4	.3	.1
Wisconsin.....	99.5	72.5	27.0	.5	.4	.1
Wyoming.....	99.5	80.8	18.7	.5	.5	(7)
Vermont.....	99.4	73.4	26.0	.6	.5	.1
Massachusetts.....	99.2	66.2	33.0	.8	.6	.2
Nevada.....	99.1	80.3	18.8	.9	.7	.2
Iowa.....	98.8	71.0	27.8	1.2	1.0	.2
Colorado.....	98.8	72.4	26.4	1.2	.9	.3
California.....	98.8	69.6	29.2	1.2	1.0	.2
Rhode Island.....	98.4	62.0	36.4	1.6	1.5	.1
Connecticut.....	98.4	68.0	30.4	1.6	1.4	.2
Nebraska.....	98.1	70.5	27.6	1.9	1.6	.3
New Mexico.....	97.9	78.8	19.1	2.1	1.8	.3
New York.....	96.9	65.4	31.5	3.1	2.4	.7
Arizona.....	96.7	78.0	18.7	3.3	2.9	.4
Kansas.....	96.6	72.9	23.7	3.4	3.0	.4
Indiana.....	96.4	70.4	26.0	3.6	3.1	.5
Pennsylvania.....	96.2	70.1	26.1	3.8	3.1	.7
Michigan.....	96.1	71.8	24.3	3.9	3.4	.5
Ohio.....	96.0	70.3	25.7	4.0	3.5	.5
Illinois.....	95.7	67.1	28.6	4.3	3.2	1.1
New Jersey.....	95.2	65.1	30.1	4.8	3.9	.9
Oklahoma.....	95.0	72.8	22.2	5.0	4.4	.6
Missouri.....	93.9	63.8	30.1	6.1	4.9	1.2
West Virginia.....	91.6	75.7	15.9	8.4	7.9	.5
Kentucky.....	89.0	69.0	20.0	11.0	9.5	1.5
Texas.....	88.3	67.0	21.3	11.7	10.3	1.4
Delaware.....	86.4	61.5	24.9	13.6	9.5	4.1
Maryland.....	84.4	59.7	24.7	15.6	12.4	3.2
Tennessee.....	82.2	56.8	25.4	17.8	15.2	2.6
North Carolina.....	77.0	50.4	26.6	23.0	16.9	6.1
Arkansas.....	76.2	58.8	17.4	23.8	22.0	1.8
District of Columbia.....	74.9	49.8	25.1	25.1	20.4	4.7
Virginia.....	74.7	53.5	21.2	25.3	19.4	5.9
Florida.....	73.2	50.9	22.3	26.8	22.4	4.4
Georgia.....	72.6	47.0	25.6	27.4	23.2	4.2
South Carolina.....	72.1	48.3	23.8	27.9	25.2	2.7
Louisiana.....	70.3	54.0	16.3	29.7	26.0	3.7
Alabama.....	69.4	52.8	16.6	30.6	27.8	2.8
Mississippi.....	62.8	45.3	17.5	37.2	34.3	2.9

¹ See table 1, footnote 1. White workers include all races other than Negro.

² Less than 0.05 percent.

¹⁷ Includes all races other than Negro.

¹⁸ Include all States in the South Atlantic, East South Central, and West South Central regions with the exception of Oklahoma.

cent of the total white and about 76 percent of the total Negro population in 1940.¹⁹ Yet of the total Negro population in these 16 States only 15 percent earned some taxable wages in 1939 as compared with 20 percent of all Negroes in the remaining 33 States. The white workers with wage credits in these 16 States represented 19 percent of the total white population therein as compared with 27 percent for the remaining 33 States.

Since Negroes in the Deep South are largely restricted to domestic service and agricultural labor, their entry into covered employment is sporadic. This fact is reflected by the average annual taxable wage of Negroes, which is \$326 in the group of 16 Southern States as compared with \$585 for Negroes in the rest of the country. This difference cannot be attributed solely to differences in regional wage rates but is, rather, due chiefly to relatively more short-time and sporadic covered employment.

Among white workers with 1939 wage credits there are nearly 2½ times as many men as women, while for Negroes there are 5 times as many men (table 5). Evidently, for white women as compared with white men, the opportunity to enter covered employment is greater than for Negro women as compared with Negro men, since Negro women are much more restricted to domestic service and agricultural pursuits than are Negro men. As measured by the ratio of females to males, no definite geographical patterns appear for either Negro or white workers. Generally, however, the States which are more industrialized and urban show for both races smaller ratios of female to male covered workers.

Taxable Wages

Variations among the States in average annual taxable wages reflected the same geographical patterns and extended almost as widely as covered employment in 1939. Showing a ratio of about 1 to 2½, average annual taxable wages ranged from a low of \$435 in Mississippi to a high of \$1,048 in New York (table 6).

Only 14 States, predominantly industrial and commercial, show an average taxable wage above that for the United States. These 14 States accounted for 65 percent of all workers with

¹⁹ Data on white population, from *Sixteenth Census of the United States, 1940*, op. cit.; data on Negroes estimated on the basis of 1940 and 1930 census data.

Table 6.—Average annual taxable wage of workers with taxable wages in 1939, and percent of such workers earning taxable wages of less than \$200 and \$1,000 or more, by State¹

State	Average annual taxable wage	Percent of workers earning less than \$200	Percent of workers earning \$1,000 or more
United States.....	\$878	23.7	36.3
New York.....	1,048	17.1	43.9
Connecticut.....	1,014	14.7	44.8
Illinois.....	1,010	18.7	43.7
Ohio.....	1,007	18.8	45.3
Michigan.....	1,007	19.5	46.2
New Jersey.....	993	18.0	42.3
District of Columbia.....	950	21.7	38.1
Pennsylvania.....	948	17.6	41.4
Massachusetts.....	944	17.3	39.1
California.....	936	24.5	40.5
Wisconsin.....	927	22.3	41.4
Washington.....	898	26.0	40.2
Indiana.....	887	22.7	38.6
Delaware.....	887	26.4	36.5
Maryland.....	843	23.8	34.0
West Virginia.....	841	21.6	37.4
Rhode Island.....	840	17.0	32.1
Missouri.....	839	25.3	33.7
Minnesota.....	838	26.8	35.0
Oregon.....	834	26.6	37.0
Montana.....	819	29.5	36.0
Nevada.....	818	26.4	34.8
Wyoming.....	803	29.4	34.8
Arizona.....	786	30.9	32.7
Colorado.....	744	30.7	30.2
New Hampshire.....	725	23.1	26.6
Oklahoma.....	722	34.5	29.0
Utah.....	719	34.7	30.4
Iowa.....	718	31.1	28.8
Kentucky.....	692	31.2	26.5
Texas.....	688	36.9	25.8
Nebraska.....	682	34.5	26.4
Kansas.....	678	34.8	27.3
Vermont.....	661	31.6	24.4
Maine.....	653	30.3	22.4
Virginia.....	652	30.3	22.2
Louisiana.....	639	35.5	22.2
South Dakota.....	634	36.5	24.6
Tennessee.....	630	31.0	20.3
Idaho.....	628	38.2	24.9
New Mexico.....	628	38.1	23.8
North Dakota.....	604	39.9	22.0
Alabama.....	603	33.3	19.2
North Carolina.....	578	30.1	14.8
Georgia.....	554	35.9	15.4
Florida.....	531	41.5	16.6
South Carolina.....	523	33.5	12.1
Arkansas.....	478	44.1	13.5
Mississippi.....	435	46.8	11.4

¹ See table 1, footnote 1.

1939 wage credits and 72 percent of all 1939 taxable wages, although they represented only 53 percent of the total 1940 population. On the other hand, the 20 States with the lowest average taxable wages represented 31 percent of the total 1940 population and accounted for only 22 percent of all workers with 1939 wage credits and 16 percent of all taxable wages. These 20 States are largely agricultural.

Although State differences in taxable wages are partially attributable to differences in wage rates, it is more than probable that the covered earnings of workers in the industrial States of the

North and Middle East closely approximate total earnings, while for many workers in the agricultural States of the South and Central Northwest a substantial part of total earnings is from noncovered employment.

The States having the smallest proportions of workers with taxable wages of less than \$200 show, generally, the largest proportions of workers with taxable wages of \$1,000 or more (chart 2). For instance, of the 13 States which show the smallest proportions of persons earning less than \$200 in taxable wages, 12 are included among the 14 States showing the highest proportions of persons earning \$1,000 or more in taxable wages (table 6). In addition, 11 of these 13 States are included among the 13 States with the highest average taxable wages. Conversely, of the 20 States with the largest proportions of persons earning less than \$200 in taxable wages, 16 are included among the 19 States showing the lowest proportions of persons with taxable wages of \$1,000 or more. Furthermore, 17 of these 20 States are among the 20 States with the lowest average taxable wages.

The States which have low average taxable wages, large proportions of persons earning less than \$200, and small proportions earning \$1,000 or more in taxable wages are the rural and agricultural States of the Deep South and Central

Northwest. The States with high average taxable wages, small proportions of persons earning below \$200, and large proportions earning \$1,000 or more in taxable wages are the urban and industrial States of the North and Middle East, and, to a lesser extent, of the Pacific Coast. The

Chart 2.—Percent of workers with taxable wages in 1939 whose wages were less than \$200 and \$1,000 or more, by State¹

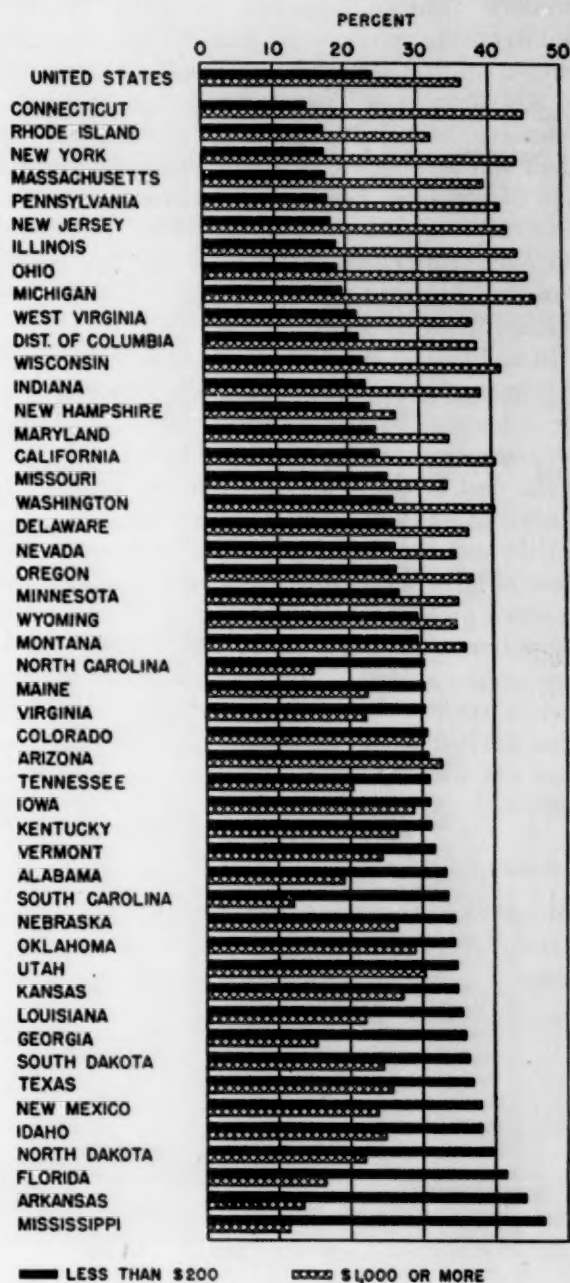


Table 7.—Average amounts of primary benefits¹ awarded, by State, January–December 1940

State	Average primary benefit ¹	State	Average primary benefit ¹
United States	\$22.72	Maryland	\$21.98
New Jersey	24.57	Wyoming	21.94
Nevada	24.24	West Virginia	21.77
New York	23.74	Nebraska	21.64
Minnesota	23.73	Vermont	21.47
Illinois	23.71	New Hampshire	21.43
Connecticut	23.56	Florida	21.31
Massachusetts	23.55	Oklahoma	21.09
Wisconsin	23.36	North Dakota	21.07
California	23.35	Kansas	21.02
District of Columbia	23.31	Iowa	20.92
Ohio	23.31	Delaware	20.90
Michigan	23.25	Maine	20.88
Pennsylvania	23.09	Texas	20.88
Washington	23.05	New Mexico	20.77
Utah	23.02	Kentucky	20.47
Colorado	22.99	Virginia	20.29
Rhode Island	22.91	Louisiana	20.26
Montana	22.77	Tennessee	19.73
Oregon	22.36	Alabama	19.59
Indiana	22.33	Georgia	19.29
Idaho	22.31	South Carolina	19.02
South Dakota	22.18	North Carolina	18.91
Arizona	22.16	Arkansas	18.62
Missouri	22.08	Mississippi	18.58

¹ Represents monthly benefit payment made to an insured wage earner; excludes lump-sum payments and payments to dependents and survivors.

¹ See table 1, footnote 1.

taxable wages of workers in these latter areas represent comparatively longer and more continuous periods of covered employment.

Average Primary Benefits

What is the effect of the wide State differences in covered employment and taxable wages on average primary benefits among the States?

To answer this question, the States were arrayed in table 7 according to size of average primary benefits awarded in 1940. With a country-wide average of \$22.72, the payments ranged among the States from \$18.58 in Mississippi to \$24.57 in New Jersey. Although the rather extensive State differences in covered employment and taxable wages would lead to an expectation of a greater benefit range among the States than \$6, the benefit formula tends to smooth out such differences in favor of the low-income workers by weighting heavily the first \$50 of the average monthly wage.

In addition, it should be realized that the levels of primary benefits awarded in the various States are influenced by factors which affect the retirement or nonretirement of insured individuals, such as the cost of living and the relative availability of covered and noncovered employment.

Although the benefit formula counteracts the effect of large wage differences among the States, it cannot affect favorably the groups whose usual occupations are excluded by the benefit provisions of the system. The fact that such groups work intermittently in covered employment highlights the inequity of their position, since they pay taxes for which they may receive no insurance benefits.

Summary

It is evident that the present coverage provisions of the old-age and survivors insurance program operate to the marked disadvantage of certain

areas of the country. Most adversely affected are the Cotton Belt of the South, the Wheat Belt of the West North Central region, and the Range area of the Mountain States.

The highly urban and industrial States of the North and Middle East, and, to a lesser extent of the Pacific Coast, show generally the largest relative number of persons with taxable earnings to their credit and the highest average annual taxable wages. As a result, these areas will show also the highest proportion of insured persons and the largest insurance benefits in the country.

The wide differences in covered employment and taxable wages among the States are due chiefly to the heavy concentration of covered employment in urban and industrial areas, and to the exclusion from coverage in the other regions of the country of the dominant occupational pursuit, agricultural labor. This exclusion results in a great deal of partial and intermittent covered employment with inevitably low taxable wages in the predominantly agricultural States of the South and Central Northwest. Although there are other factors which affect the extent of State differences in covered employment and taxable wages, they do so in lesser degree.

If the excluded services were covered under the old-age and survivors insurance system, State differences in covered employment would be dependent chiefly on total employment and the general level of business activity in the States; total wages from all sources would be taxable; the number of insured persons in any one locality would be primarily dependent on the way in which the eligibility requirements for insured status affected that locality rather than on the type of employment; and variations in the amount of insurance benefits, which would be tied directly to total earnings, would be more nearly commensurate with differences in the cost and level of living in the various areas of the country.

PUBLIC ASSISTANCE

BUREAU OF PUBLIC ASSISTANCE • DIVISIONS OF OPERATING STATISTICS AND ANALYSIS AND SOCIAL STATISTICS AND RESEARCH

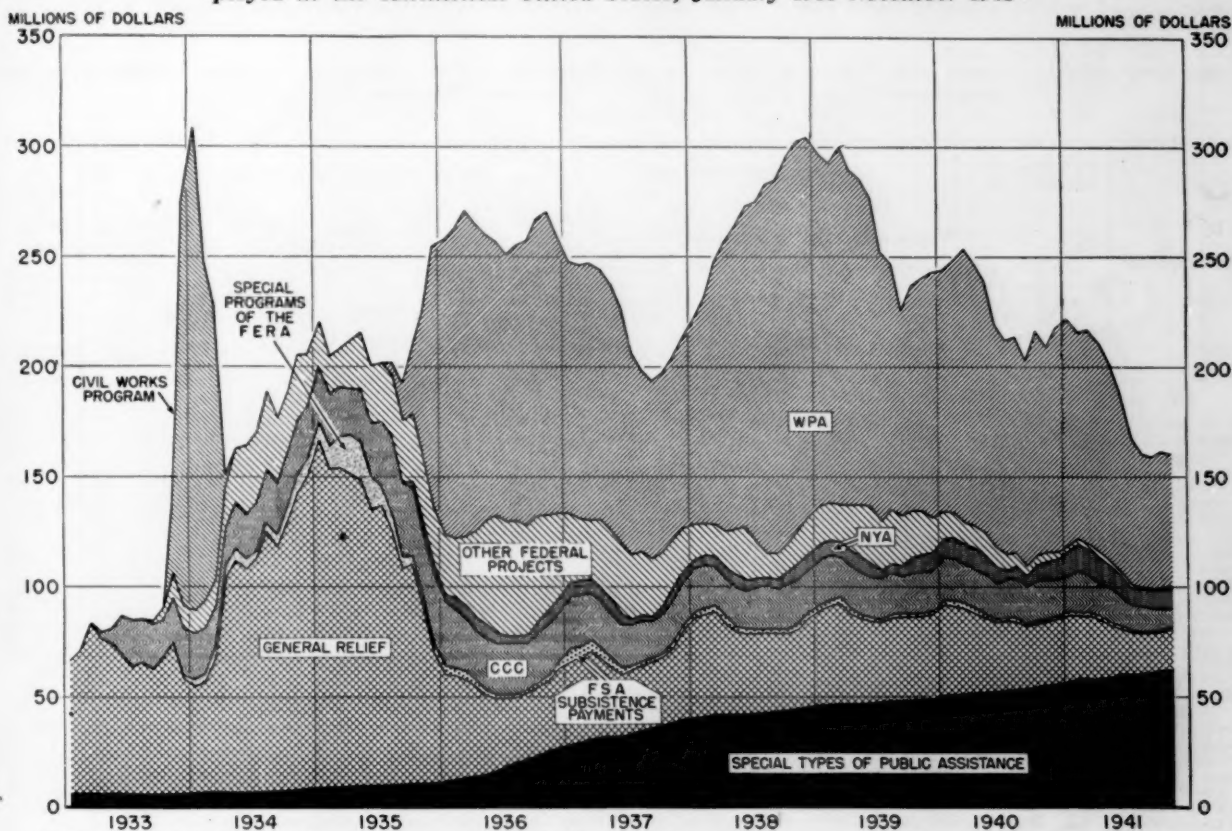
In November, total expenditures for public assistance and earnings under the several Federal work programs in the continental United States amounted to \$160.4 million, a total 0.6 percent below that for October, and 23 percent below the figure for November 1940. Payments in November are estimated to have benefited 10.3 million persons in 4.1 million households. These figures represent only slight changes from October, but are 30 and 22 percent, respectively, below the levels for November 1940.

Payments for each of the three special types of public assistance and for subsistence payments certified by the Farm Security Administration increased from October to November, but general relief payments decreased slightly. In comparison with the same month a year earlier, general

relief payments declined by 37 percent and subsistence payments by 39 percent; amounts expended for the three special types of public assistance, however, showed an increase of 13 percent. The number of recipients of assistance under these various programs showed changes which corresponded roughly to the changes in amounts.

Earnings of persons employed on projects of the Work Projects Administration declined 3.6 percent from October, although the number of persons employed rose slightly. Both the number of youths employed under the two programs of the National Youth Administration and the amount of their earnings increased from October to November. Earnings on regular Federal construction projects rose 7.9 percent.

Chart 1.—Public assistance and Federal work programs: Payments to recipients and earnings of persons employed in the continental United States, January 1933–November 1941¹



¹ Includes estimate for CCC and other Federal agency projects for November 1941.

Table 1.—Public assistance and Federal work programs: Assistance and earnings in the continental United States, by month, November 1940–November 1941¹

[In thousands]

Year and month	Total ¹	Assistance to recipients					Earnings of persons employed under Federal work programs						Earnings on regular Federal construction projects ¹
		Special types of public assistance			General relief	Subsistence payments certified by the Farm Security Administration ²	Civilian Conservation Corps ³	National Youth Administration ⁴		Work Projects Administration ⁵	Other Federal agency projects financed from emergency funds ⁷		
		Old-age assistance	Aid to dependent children	Aid to the blind				Student work program	Out-of-school work program				
1940													
November	\$209,235	\$41,306	\$11,718	\$1,848	\$29,041	\$831	\$18,725	\$3,064	\$5,450	\$93,545	\$3,707	\$69,201	
December	217,884	41,858	11,900	1,862	30,089	1,065	16,314	3,109	6,463	102,331	2,803	86,074	
1941													
January	222,087	42,523	12,298	1,868	30,552	1,543	17,110	2,776	7,901	103,526	1,990	103,323	
February	215,114	43,001	13,192	1,871	28,881	1,680	18,152	3,165	9,224	94,099	1,849	113,790	
March	216,192	43,459	12,766	1,870	28,767	2,049	16,178	3,283	8,929	97,429	1,462	111,136	
April	208,555	43,882	12,866	1,885	26,271	1,667	15,073	3,352	8,419	93,692	1,448	116,152	
May	198,985	44,116	12,856	1,896	23,281	975	14,765	3,385	8,129	88,246	1,336	106,415	
June	188,051	45,684	12,802	1,896	20,583	1,670	12,902	2,595	7,992	80,754	1,173	110,103	
July	166,954	45,331	12,570	1,889	19,828	308	11,693	26	7,164	67,225	920	119,282	
August	161,114	45,089	12,573	1,905	19,644	442	11,430	1	7,507	61,136	787	129,808	
September	158,643	46,181	12,562	1,910	18,546	318	10,665	150	7,384	60,285	642	137,119	
October	161,375	46,847	12,697	1,949	18,587	372	9,616	1,727	7,112	61,974	494	156,661	
November	160,384	47,227	12,837	1,971	18,432	509	9,572	2,363	7,419	59,732	322	160,000	

¹ Partly estimated and subject to revision. For January 1933–October 1940, see the Bulletin, February 1941, pp. 66–68. For definitions of terms, see the Bulletin, September 1941, pp. 50–52. For method of computing earnings under the CCC beginning July 1941, see footnote 4.

² Data exclude earnings on regular Federal construction projects.

³ Data from the FSA.

⁴ Data from the CCC. Beginning with July 1941, earnings of persons enrolled estimated by the CCC by multiplying average monthly number of persons enrolled, excluding Indians, by average of \$67.20 for each month

and number of Indians enrolled by average of \$60.50 for each month.

⁵ Data from the NYA.

⁶ Data from the WPA.

⁷ Data from the Bureau of Labor Statistics.

⁸ Excluded from total; data from the Bureau of Labor Statistics.

⁹ Beginning with October 1941, represents earnings on projects financed from PWA funds only. Data not available for other Federal agency projects financed under Emergency Relief Appropriation acts. (Latest available report showed total earnings of approximately \$100,000.)

Table 2.—Public assistance and Federal work programs: Recipients of assistance and persons employed in the continental United States, by month, November 1940–November 1941¹

[In thousands]

Year and month	Estimated unduplicated total ¹		Recipients of assistance						Persons employed under Federal work programs						Persons employed on regular Federal construction projects ¹
	Households	Persons in these households	Special types of public assistance				Cases receiving general relief	Cases for which subsistence payments were certified by the Farm Security Administration ²	Civilian Conservation Corps ³	National Youth Administration ⁴		Work Projects Administration ⁵	Other Federal agency projects financed from emergency funds ⁶		
			Old-age assistance	Aid to dependent children		Aid to the blind				Student work program	Out-of-school work program				
				Families	Children										
1940															
November	5,277	14,577	2,051	364	874	73	1,213	36	263	439	262	1,771	27	614	
December	5,362	14,807	2,066	370	891	73	1,239	45	246	449	326	1,826	22	712	
1941															
January	5,445	15,064	2,075	376	909	73	1,257	59	258	442	419	1,858	15	721	
February	5,458	15,060	2,082	383	924	73	1,230	58	274	459	482	1,851	13	797	
March	5,360	14,667	2,108	387	935	73	1,210	68	244	471	459	1,718	11	762	
April	5,153	13,896	2,127	391	942	74	1,153	54	228	478	419	1,575	11	776	
May	4,913	13,048	2,148	393	944	74	1,038	36	223	462	392	1,453	10	723	
June	4,691	12,375	2,167	391	942	74	934	40	195	357	384	1,376	9	718	
July	4,145	10,811	2,181	388	935	74	876	14	175	5	318	1,025	7	758	
August	4,040	10,412	2,195	386	931	74	859	18	171	(⁷)	315	1,015	6	783	
September	4,000	10,231	2,204	384	926	75	817	11	159	32	308	1,007	5	835	
October	4,096	10,279	2,213	385	928	76	796	13	144	272	288	1,010	¹⁰ 4	⁹ 28	
November	¹¹ 4,123	¹¹ 10,271	2,224	385	928	77	782	16	143	341	303	1,027	¹² 2	1,028	

¹ Partly estimated and subject to revision. For January 1933–October 1940, see the Bulletin, February 1941, pp. 68–70. For definitions of terms, see the Bulletin, September 1941, pp. 50–52. For definition of persons employed on NYA out-of-school work program, beginning with July 1941, see footnote 5.

² Estimated by the Work Projects Administration and the Social Security Board. Excludes persons employed on regular Federal construction projects.

³ Data from the FSA.

⁴ Data from the CCC.

⁵ Data from the NYA. Beginning with July 1, 1941, number employed on out-of-school work program based on average of weekly employment counts

during month.

⁶ Data from the WPA.

⁷ Data from the Bureau of Labor Statistics.

⁸ Excluded from estimated unduplicated total; data from the Bureau of Labor Statistics.

⁹ Less than 500 persons.

¹⁰ Preliminary; represents employment on projects financed from PWA funds only. Data not available for other Federal agency projects financed under Emergency Relief Appropriation acts. (Latest available reports showed total employment of approximately 1,000.)

¹¹ Preliminary.

Table 3.—Special types of public assistance: Recipients and payments to recipients in States with plans approved by the Social Security Board, by month, November 1940–November 1941¹

Year and month	Number of recipients				Amount of payments to recipients			
	Old-age assistance	Aid to dependent children		Aid to the blind	Total	Old-age assistance	Aid to dependent children	Aid to the blind
		Families	Children					
1940								
November.....	2,054,345	352,149	848,458	48,836	\$53,969,578	\$41,372,613	\$11,451,190	\$1,145,775
December.....	2,069,763	358,450	865,304	49,015	54,792,726	41,925,127	11,717,362	1,150,237
1941								
January.....	2,078,353	364,421	882,882	49,111	55,709,329	42,589,711	12,027,414	1,152,204
February.....	2,084,868	371,044	898,620	49,248	57,154,886	43,067,986	12,929,908	1,156,992
March.....	2,110,860	375,583	909,744	49,370	57,183,480	43,526,550	12,495,133	1,161,797
April.....	2,130,500	379,641	916,775	49,549	57,711,067	43,949,575	12,595,564	1,165,928
May.....	2,151,405	380,816	918,543	49,700	57,940,742	44,184,167	12,581,488	1,175,087
June.....	2,170,395	379,594	916,742	49,817	59,463,973	45,752,803	12,531,778	1,179,392
July.....	2,184,693	376,141	909,549	49,879	58,869,113	45,400,863	12,297,723	1,170,527
August.....	2,197,913	374,407	905,548	50,208	59,240,217	45,758,413	12,297,550	1,184,254
September.....	2,207,797	372,267	900,962	50,421	59,737,150	46,250,634	12,292,786	1,193,730
October.....	2,216,722	380,743	919,351	51,783	60,749,567	46,915,646	12,602,746	1,231,175
November.....	2,227,038	381,125	919,826	52,192	61,298,010	47,296,005	12,754,699	1,247,306

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50–52.

NOTE.—With this issue, the series presented in this table has been changed to include data for Alaska and Hawaii.

Chart 2.—Special types of public assistance and general relief: Index of payments to recipients in the continental United States, January 1933–November 1941

[Average month 1936=100]

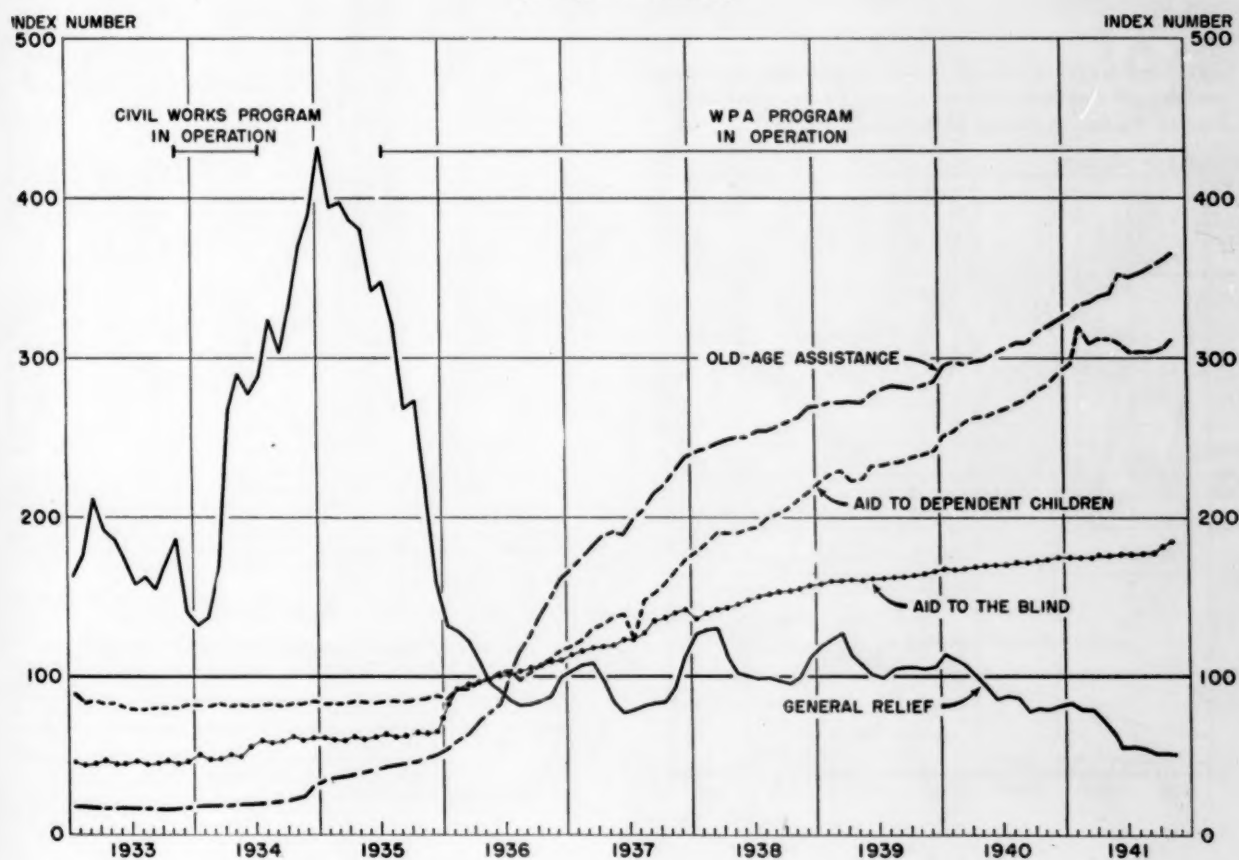


Table 4.—Food stamp plan: Number of areas included and participants, and value of surplus-food stamps issued in the continental United States, by month, November 1940–November 1941¹

Year and month	Number of areas included ²	Number of participants ³		Value of surplus-food stamps issued
		Cases	Persons	
1940				
November.....	209	843,381	2,541,100	\$5,782,318
December.....	231	921,025	2,821,600	6,587,993
1941				
January.....	246	961,642	2,986,700	7,027,393
February.....	265	986,363	3,108,600	7,201,683
March.....	288	1,152,990	3,703,100	8,934,051
April.....	307	1,226,768	3,830,900	9,547,251
May.....	346	1,230,000	3,968,900	9,902,603
June.....	363	1,213,111	3,925,000	9,950,959
July.....	374	1,184,490	3,821,600	9,998,088
August.....	388	1,152,431	3,706,800	9,782,709
September.....	389	1,122,628	3,598,200	9,645,306
October.....	390	1,083,306	3,447,700	9,078,906
November ⁴	390	1,061,094	3,331,300	8,803,706

¹ Data exclude persons receiving commodities under direct distribution program of the Surplus Marketing Administration or value of such commodities.

² An area represents a city, county, or group of counties.

³ Includes recipients of 3 special types of public assistance and of subsistence payments from the FSA; recipients of, and those eligible for, general relief; persons certified as in need of relief and employed on or awaiting assignment to projects financed by the WPA. Includes for 1 area (Shawnee, Okla.) some low-income families having weekly income of less than \$19.50 who have been eligible to participate since October 1939.

⁴ Preliminary.

Source: U. S. Department of Agriculture, Surplus Marketing Administration.

Chart 3.—Special types of public assistance and general relief: Payments to recipients in the continental United States, January 1936–November 1941

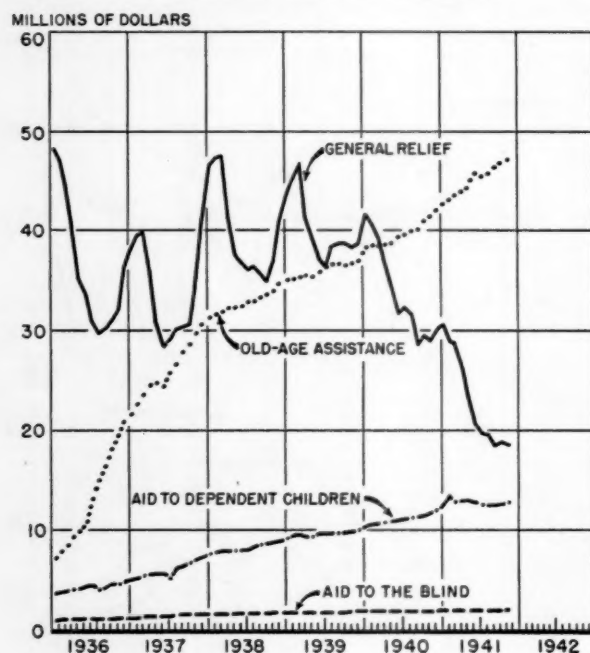


Table 5.—General relief: Cases and payments to cases in the continental United States, by State, November 1941¹

State	Number of cases receiving relief	Amount of payments to cases	Average payment per case	Percentage change from—			
				October 1941 in—		November 1940 in—	
				Number of cases	Amount of payments	Number of cases	Amount of payments
Total²	782,000	\$18,432,000	\$23.57	-1.8	-0.8	-35.5	-36.5
Ala.....	2,321	20,583	8.87	(³)	(³)	-4.8	-4.9
Ariz.....	2,733	51,068	18.69	+2.3	+3.5	-15.5	+8.9
Ark.....	3,606	20,766	5.76	+13.3	+43.0	-16.9	-16.4
Calif.....	30,782	662,939	21.54	-5.3	-8.4	-61.2	-68.6
Colo. ⁴	8,904	168,198	18.89	+7.1	+15.1	-37.1	-11.0
Conn.....	7,031	196,920	28.01	-2.8	-1.7	-47.7	-46.4
Del.....	760	15,628	20.56	+1.7	+2.3	-25.6	-34.6
D. C.....	2,165	52,487	24.24	-1.9	-3.0	+6.5	+3.3
Fla.....	7,983	56,606	7.09	-2.6	-3.1	-15.3	-9.7
Ga.....	8,874	62,657	7.26	-2.4	+7.2	-6.7	+5.2
Idaho.....	1,282	17,993	14.04	-3.2	-1.3	-39.4	-43.3
Ill.....	102,537	2,345,733	22.88	-3.2	-3.3	-33.9	-35.9
Ind. ⁵	23,685	360,203	15.21	+2.1	+3.2	-43.5	-41.4
Iowa.....	15,848	256,945	16.21	-	+1.2	-37.1	-37.6
Kans.....	11,848	205,246	17.32	+1.3	+8.5	-27.8	-17.4
Ky.....	4,700	46,000	9.79	-	-	-	-
La.....	11,902	191,736	16.11	+1	+6	+12.5	+18.4
Maine.....	5,595	124,762	22.30	-8	-3.4	-38.5	-37.6
Md.....	6,988	159,930	22.89	-1	+8.2	-16.8	-13.6
Mass.....	34,245	868,004	25.35	-2.5	-7.4	-34.8	-38.4
Mich.....	31,483	723,083	22.97	+5	-3.4	-32.5	-28.4
Minn.....	21,278	510,400	23.99	+5.1	+18.5	-36.7	-35.1
Miss.....	638	2,391	3.75	-7.9	-6.6	-30.2	-12.5
Mo.....	15,152	226,652	14.96	+1.2	+3.5	-37.1	-30.3
Mont.....	2,729	43,023	15.77	+5.3	+5.4	-37.0	-36.6
Nebr.....	5,087	61,020	12.00	-1.0	+6.2	-43.2	-38.6
Nev.....	563	7,540	13.39	+22.1	+5.8	+2.0	-10.5
N. H.....	3,440	80,634	23.44	-4.3	-3.7	-45.8	-44.2
N. J. ⁶	23,004	550,261	23.92	-1.1	+2.9	-41.4	-41.2
N. Mex. ⁷	1,165	10,815	9.28	+23.3	+75.8	-29.6	-13.4
N. Y.....	173,762	6,737,644	38.78	-3.2	+5	-24.3	-22.2
N. C.....	4,174	28,839	6.91	+6.5	+3.1	-14.2	-14.6
N. Dak.....	2,203	32,713	14.85	+11.9	+13.0	-38.9	-33.4
Ohio.....	42,071	865,373	20.57	-3	+8.2	-44.1	-35.9
Okla.....	9,490	43,292	(⁸)	(⁸)	+6.9	(⁸)	-12.1
Oreg.....	5,549	104,485	18.83	+3.0	+1.8	-35.3	-22.7
Pa.....	81,560	1,505,553	18.46	-6.5	-13.3	-46.1	-62.1
R. I. ⁹	3,113	107,877	34.65	+7	-12.1	(¹⁰)	-33.2
S. C.....	2,415	20,029	8.29	+5	+1.0	+11.3	+10.2
S. Dak.....	2,687	37,284	13.88	+4.4	+5.6	-25.4	-23.9
Tenn.....	2,600	16,000	6.15	-	-	-	-
Tex.....	8,788	82,340	9.37	-1.0	+2.4	-14.0	-9.1
Utah.....	3,881	102,469	26.40	-6.3	-1.3	-26.5	-10.0
Vt.....	1,408	25,851	18.36	+1.8	+2.1	-29.4	-26.0
Va.....	4,930	49,521	10.04	-1.0	-1.1	-12.6	-7.1
Wash.....	7,719	155,386	20.13	+5.4	+17.1	-48.2	-30.1
W. Va.....	13,395	141,744	10.58	+3.8	+6.6	+20.4	+49.5
Wis.....	20,791	460,470	22.15	+3.0	+2.1	-46.2	-42.6
Wyo.....	829	13,606	16.52	+6.6	+4.9	-26.3	-20.6

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52.

² Partly estimated; does not represent sum of State figures, because an estimated number of cases receiving medical care, hospitalization, and/or burial only and total payments for these services in 3 States have been excluded, an estimated number of cases aided and total payments to these cases aided by local officials in Rhode Island have been included, and data on cases aided in Oklahoma have been estimated to exclude duplication.

³ Increase of less than 0.05 percent.

⁴ Includes unknown number of cases receiving medical care, hospitalization, and/or burial only, and total payments for these services.

⁵ Estimated.

⁶ State program only; excludes program administered by local officials.

⁷ Includes cases receiving medical care only; number believed by State agency to be insignificant.

⁸ Represents 3,730 cases aided under program administered by State board of public welfare, and 5,760 cases aided by county commissioners; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.

⁹ State unemployment relief program only. It is estimated that, in addition, 1,400 cases received \$23,000 from local officials.

¹⁰ Comparable data not available.

Table 6.—Old-age assistance: Recipients and payments to recipients, by State, November 1941¹

State	Number of recipients	Amount of payments to recipients	Average payment per recipient	Percentage change from—			
				October 1941 in—		November 1940 in—	
				Number of recipients	Amount of payments	Number of recipients	Amount of payments
Total ²	2,227,038	\$47,296,005	\$21.24	+0.5	+0.8	+8.4	+14.3
Ala.	20,568	186,203	9.05	+1.2	+1.0	+2.7	+3
Alaska	1,570	45,794	29.17	+1	+4	+2.1	+6.2
Ariz.	9,169	312,033	34.03	+6	+1.2	+9.2	+32.7
Ark.	25,229	200,642	7.95	-3	+4.0	+3.3	+3.5
Calif.	158,402	5,783,546	36.51	(³)	+1	+5.8	+2.0
Colo.	42,895	1,538,313	35.86	+3	-4.9	+2.9	+24.4
Conn.	17,758	515,119	29.01	+2	+5	+2.3	+9.5
Del.	2,473	29,934	12.10	-5	+7	-3.7	+2.3
D. C.	3,574	92,617	25.91	+5	+4	+4.1	+6.2
Fla.	38,474	521,179	13.55	+5	+1.7	+2.7	+12.0
Ga.	54,981	466,779	8.49	+4.1	+4.8	+46.4	+52.4
Hawaii	1,810	23,261	12.85	-8	-8	+4	-3
Idaho	9,697	221,221	22.81	+7	+8	+7.0	+9.3
Ill.	149,146	3,620,025	24.27	(³)	+1.2	+5.6	+17.1
Ind.	69,412	1,296,872	18.68	+5	+6	+3.4	+6.8
Iowa	57,197	1,204,945	21.07	+1	+3	+1.9	+3.7
Kans.	30,355	675,248	22.25	+9	+4.7	+8.7	+22.3
Ky.	59,637	545,841	9.15	+3	+1.3	+11.1	+14.2
La.	35,753	472,040	13.20	+3	+4	+6.2	+12.5
Maine	14,612	307,477	21.04	+1.2	+1.6	+9.6	+10.8
Md.	17,476	322,324	18.44	-6	+1.0	-4.7	-9
Mass.	87,544	2,559,181	29.23	+1	-3	+9	+2.3
Mich.	92,820	1,690,442	17.89	+4	+1.5	+20.5	+29.1
Minn.	63,488	1,375,725	21.67	+1	+5	+9	+3.5
Miss.	27,563	245,250	8.90	+3	+6	+12.5	+16.9
Mo.	117,132	1,516,824	12.95	+4	+9	+6.7	-5.0
Mont.	12,443	263,696	21.19	+2	+1.1	+2.1	+17.0
Nebr.	29,613	592,020	19.99	+5	+7	+4.3	+8.3
Nev.	2,282	67,092	29.40	-1	+1.4	-1.0	+9.8
N. H.	7,183	161,267	22.45	+4	+1.8	+12.6	+19.2
N. J.	30,940	682,773	22.07	-1	+6	-1.3	+4.1
N. Mex.	4,920	79,000	16.06	+9	-8	+1.1	-2.8
N. Y.	121,687	3,206,189	26.35	+3	+2.1	+1.2	+7.9
N. C.	38,928	396,284	10.18	+5	+7	+5.6	+6.5
N. Dak.	9,448	169,686	17.96	+1	+7	+6.1	+13.9
Ohio	139,058	3,279,913	23.59	+1	+3	+5.5	+8.4
Okl.	77,701	1,401,567	18.04	+2	+1	+4.1	+5.4
Oreg.	21,814	480,952	22.05	+7	+1.4	+12.4	+15.8
Pa.	101,950	2,303,417	22.59	-4	+3	+2.0	+5.4
R. I.	7,358	156,734	21.30	+8	+2.0	+5.6	+13.1
S. C.	19,308	186,870	9.68	+2.3	+10.5	+9.7	+34.0
S. Dak.	14,922	282,458	18.93	-1	-1	-2	-2.3
Tenn.	39,259	400,997	10.21	-8	-6	-2.5	-1.4
Tex.	157,155	2,985,574	19.00	+2.0	+2.8	+31.4	+83.4
Utah	14,706	394,750	26.84	+5	+6	+8.3	+29.0
Vt.	5,620	96,242	17.12	-9	-8	+6.6	+12.2
Va.	20,243	205,037	10.13	-2	-1	+4.0	+6.3
Wash.	62,073	2,050,039	33.03	+1.3	+1.6	+55.3	+127.5
W. Va.	21,739	373,216	17.17	+2.5	+4.7	+17.0	+43.1
Wis.	54,396	1,255,208	23.08	(³)	+3	+2.6	+5.2
Wyo.	3,557	86,189	24.23	+7	+1.2	+3.4	+5.1

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52.

² All 51 States have plans approved by the Social Security Board.

³ Increase of less than 0.05 percent.

⁴ Includes \$126,692 incurred for payments to 3,527 persons 60 but under 65 years.

Table 7.—Aid to the blind: Recipients and payments to recipients, by State, November 1941¹

State	Number of recipients	Amount of payments to recipients	Average payment per recipient	Percentage change from—			
				October 1941 in—		November 1940 in—	
				Number of recipients	Amount of payments	Number of recipients	Amount of payments
Total ²	76,807	\$1,972,546	\$25.68	+0.8	+1.1	+5.3	+6.7
Ala.	636	5,754	9.05	+2	+6	+5.8	+7.5
Ariz.	397	12,930	32.57	-1.7	-6	+6.4	+28.0
Ark.	1,154	10,608	9.19	+3	+3.1	+11.7	+8.9
Calif.	7,279	340,340	46.76	-4	-1	-1.0	-3.6
Colo.	626	20,321	32.46	+1.3	+1.4	+4.0	+21.9
Conn.	217	6,777	31.23	+1.4	+11.5	+1.4	+18.4
D. C.	247	7,609	30.81	+4	+2.5	+9.8	+28.4
Fla.	2,651	38,347	14.47	+8	+2.1	+9.3	+20.5
Ga.	1,723	19,102	11.09	+3.6	+4.2	+33.7	+41.9
Hawaii	82	1,246	15.20	(³)	(³)	(³)	(³)
Idaho	282	6,519	23.12	+7	+1.5	(³)	+2.3
Ill.	7,517	224,188	29.82	+2.4	+1.0	+1	+4
Ind.	2,358	49,724	21.09	(³)	+2	-2.3	+7
Iowa	1,550	38,168	24.62	-3	+7	+4.0	+7.8
Kans.	1,364	31,792	23.31	-4	+3.5	-1.3	+10.6
La.	1,269	21,434	16.89	+1.4	+1.4	+10.6	+19.7
Maine	1,093	24,967	22.84	-1	-1	-5.4	-5.0
Md.	649	14,401	22.19	-6	+1.7	-5.9	-2.7
Mass.	1,169	27,877	23.85	-1.0	-5	+3.5	+6.6
Mich.	1,340	33,383	24.91	+6	+1.9	+25.5	+34.3
Minn.	1,001	27,030	26.99	+4	+1.0	+6.0	+8.4
Miss.	1,221	12,268	10.05	+1.5	+3.4	+34.5	+63.4
Mo.	75,180	82,800	10.88	+3.1	+4.0	+37.9	+49.7
Mont.	295	6,738	22.84	+3	+2	+7.2	+11.0
Nebr.	758	15,953	21.05	+3	+2	+7.2	+11.0
Nev.	83	785	34.15	(³)	(³)	(³)	(³)
N. H.	334	7,682	23.00	+6	-1.1	+9.9	+8.2
N. J.	739	17,784	24.06	-3	(³)	(³)	+2.9
N. Mex.	236	4,301	18.22	+1.3	+8	+5.3	+5.3
N. Y.	2,830	77,868	27.52	-9	+1.2	-1.5	+7.7
N. C.	2,116	31,708	14.98	+1.5	+1.7	+10.3	+9.5
N. Dak.	136	2,983	21.93	(³)	+1.1	-40.4	-39.4
Ohio	3,993	80,963	20.28	+3	(³)	-6	+2.2
Okl.	2,186	40,846	18.69	+2	+2.1	-1.5	+16.7
Oreg.	481	12,576	26.15	+6	+1.4	+5.9	+10.6
Pa.	13,955	417,437	29.91	+3	+1.0	+4.4	+4.5
R. I.	99	2,115	21.36	(³)	(³)	(³)	(³)
S. C.	797	8,076	10.13	+1	+1.3	+3.8	-1.3
S. Dak.	251	3,837	15.29	-4	-2	-2.7	-13.9
Tenn.	1,619	18,245	11.27	-1	+3	-1.5	+1
Tex.	1,532	35,657	23.27	+22.4	+22.1	(³)	(³)
Utah	176	4,791	27.22	+1.1	+2.5	-7.9	+1.1
Vt.	164	3,612	22.02	+1.9	+2.4	+8.6	+11.5
Va.	1,060	13,382	12.62	+3	+1	+2.9	+3.8
Wash.	1,039	36,493	35.12	-3	-2	-8	+12.8
W. Va.	948	20,791	21.93	+1.6	+4.7	+13.8	+40.3
Wis.	1,956	46,723	23.89	-7	-3	-3.0	-7.8
Wyo.	139	3,625	26.08	-7	-1.6	-2.8	-7.9

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered under State laws from State and/or local funds without Federal participation. Delaware and Alaska do not have programs for aid to the blind, and information on status of program in Kentucky is not available.

² For total of 44 States with plans approved by the Social Security Board, see table 3.

³ Includes program administered under State law without Federal participation.

⁴ Not computed; less than 100 recipients.

⁵ No change.

⁶ Decrease of less than 0.05 percent.

⁷ Estimated.

⁸ Increase of less than 0.05 percent.

⁹ No approved plan for November 1940.

Table 8.—Aid to dependent children: Recipients and payments to recipients, by State, November 1941¹

State	Number of recipients		Amount of payments to recipients	Average payment per family	Percentage change from—					
	Families	Children			October 1941 in—			November 1940 in—		
					Number of recipients		Amount of payments	Number of recipients		Amount of payments
					Families	Children		Families	Children	
Total ¹	386,103	931,394	\$12,881,054	\$33.36	(²)	(¹)	+1.1	+5.7	+6.0	+9.5
Alabama	5,821	16,754	80,448	13.82	+5	+6	+1	-2	-1.0	+5
Alaska	³ 80	³ 210	³ 3,800							
Arizona	2,443	6,705	81,347	33.30	+5	+1.3	+6	-2.0	-5.5	+7
Arkansas	6,216	16,038	84,941	13.66	-6	-5	+1.7	+4.6	+6.2	+2.7
California	14,930	35,476	722,830	48.41	-1.0	-1.3	-1	-3.9	-5.4	(⁴)
Colorado	6,111	15,083	187,514	30.68	-4	-1	+5	-6	+5	+0
Connecticut	1,168	2,652	44,286	38.24	-2.7	-2.8	-14.6	-15.7	-15.1	-26.1
Delaware	572	1,646	18,915	33.07	-1.5	-9	-1.9	+1.1	+5.6	-5
District of Columbia	1,015	3,000	37,728	37.17	+3	+1.2	-2	+0.4	+8.6	+7.3
Florida ⁷	4,908	11,854	117,177	23.87	+4.8	+4.3	+6.2	+13.6	+9.6	+25.5
Georgia	4,561	11,163	99,800	21.88	(⁵)	-1	+4	+3.3	-6	+6.1
Hawaii	1,095	3,484	40,662	37.13	-1.3	-1.4	-2	-10.2	-13.0	-10.4
Idaho	3,027	7,708	93,583	30.92	-6	-4	-1	+3.2	+5.4	+8.2
Illinois ⁷	11,532	25,677	363,083	31.48	+12.2	+10.1	+20.8	(⁵)	(⁵)	(⁵)
Indiana	15,590	32,436	466,337	29.91	-9	-7	-4	-10.1	-8.9	-5.3
Iowa	3,213	7,131	61,666	19.16	-0.3	-6.7	-6.6	-11.8	-14.3	-8.2
Kansas	6,610	15,833	218,977	33.13	+1.2	+1.5	+5.0	+2.8	+5.2	+14.8
Kentucky	⁴ 400	⁴ 1,300	⁴ 14,800							
Louisiana	15,352	38,998	407,794	26.56	+3	(⁶)	+7	+8.2	-4	+14.4
Maine	1,738	4,730	70,078	40.32	+6	+1.0	+1.3	+9.9	+17.5	+13.5
Maryland	5,932	16,327	191,929	32.35	-7	-6	+1.0	-16.0	-13.9	-13.7
Massachusetts	12,313	30,279	691,689	56.18	-3	-2	-3.0	-1.8	-2.6	-5.7
Michigan	21,549	50,440	886,518	41.14	-1	-3	+5	+7.7	+4.4	+9.0
Minnesota	9,165	21,730	317,475	34.64	-6	-6	-1	+1.1	+8	+1.6
Mississippi	2,464	6,408	50,194	20.37	+4.1	+3.6	+3.5	(⁶)	(⁶)	(⁶)
Missouri	14,424	33,232	332,400	23.04	+9	+8	+1.2	+16.8	+13.0	+11.5
Montana	2,589	6,351	77,452	29.92	(⁶)	(⁶)	+3	+6.8	+7.5	+12.3
Nebraska ⁸	5,756	12,861	181,670	31.56	+3	+5	+4	+2.9	+3.6	+3.5
Nevada	117	275	2,833	24.21	-1.7	-7	-2.0	+4.5	+2.6	+6.2
New Hampshire	741	1,853	33,011	44.55	+4.7	+4.9	+4.3	+17.4	+17.0	+16.8
New Jersey	9,440	21,539	299,145	31.69	-9	-1.0	-1.0	-16.3	-15.2	-14.9
New Mexico	2,110	6,083	53,911	25.55	+8	+1.8	+7	+3.5	+4.4	+2.0
New York	30,622	60,425	1,488,020	48.59	-1.9	-1.8	+1.3	-12.0	-11.7	-8.1
North Carolina	9,832	23,313	165,688	16.85	(⁶)	+1	+4	+3.0	-5	+4.2
North Dakota	2,478	6,830	77,780	31.39	+1.2	+9	+1.7	+2.9	+2.5	+4.0
Ohio	11,914	31,265	475,543	39.91	+9	+1	+1.2	+6.7	+2.8	+7.0
Oklahoma	19,962	45,827	375,332	18.80	-3	-3	+2.5	+3.7	+4.1	+33.3
Oregon	2,072	4,873	89,055	42.98	+1.0	+1.2	+1.9	+5.2	+5.5	+13.2
Pennsylvania	56,239	140,660	2,116,697	37.64	-2.1	-2.2	+4	+25.1	+31.7	+30.6
Rhode Island	1,298	3,664	59,354	45.73	-9	-1.2	-8	+2.8	+2.6	+2.5
South Carolina	3,923	11,476	64,931	16.55	(⁶)	+1.1	+1	+33.7	+31.0	+35.5
South Dakota ⁷	1,734	4,064	48,699	28.08	+2.5	+2.8	+3.0	-6.0	(⁶)	+54.2
Tennessee	14,131	35,268	263,954	18.68	(⁶)	(⁶)	+1	-1.7	-2.9	-7
Texas ⁷	750	1,559	14,470	19.29	+113.7	+116.2	+136.8	(⁶)	(⁶)	(⁶)
Utah	4,035	10,573	172,544	42.76	+5	+6	+1.1	+8.8	+11.0	+25.0
Vermont	707	1,887	22,974	32.50	+1.6	+1.6	+2.2	+14.0	+7.6	+13.2
Virginia	4,684	13,716	93,645	19.99	+6	+6	+1	+24.0	+20.6	+21.4
Washington	5,211	12,584	206,626	39.65	-1.3	-7	-1.8	+5.9	+7.6	+32.0
West Virginia	10,756	28,641	323,001	30.03	+3.9	+4.2	+6.6	+26.7	+23.7	+61.3
Wisconsin	12,002	27,507	464,094	38.67	-4	-2	+7	-4.1	-3.2	-1.6
Wyoming	771	2,006	25,654	33.27	+1.2	+1.0	+1.7	+6.9	+10.2	+9.9

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered under State laws from State and/or local funds without Federal participation.

² For total of 46 States with plans approved by the Social Security Board, see table 3.

³ Increase of less than 0.05 percent.

⁴ Decrease of less than 0.05 percent.

⁵ Estimated.

⁶ Includes payments through Nov. 27 only.

⁷ Includes program administered under State law without Federal participation.

⁸ No approved plan for November 1940.

⁹ In addition, in 66 counties payments amounting to \$11,786 were made from local funds without State or Federal participation to 702 families in behalf of 1,638 children under the State mothers'-pension law; some of these families also received aid under plan approved by the Social Security Board.

Table 9.—Public assistance and Federal work programs: Assistance and earnings in the continental United States, by State, October 1941¹

[In thousands]

State	Total	Assistance to recipients					Earnings of persons employed under Federal work programs					Earnings on regular Federal construction projects
		Special types of public assistance ²			General Relief	Subsistence payments certified by the Farm Security Administration	Civilian Conservation Corps	National Youth Administration		Work Projects Administration	Other Federal agency projects financed from emergency funds	
		Old-age assistance	Aid to dependent children	Aid to the blind				Student work program	Out-of-school work program			
Total.....	\$161,375	\$46,847	\$12,607	\$1,949	\$18,587	\$372	\$9,616	\$1,727	\$7,112	\$61,974	\$494	\$156,661
Alabama.....	2,255	184	80	6	21	3	404	18	182	1,355	2	6,978
Arizona.....	893	308	81	13	49	23	140	10	19	250	—	585
Arkansas.....	2,007	193	83	10	15	2	442	27	135	1,100	—	817
California.....	11,650	5,779	724	341	724	52	186	106	239	3,500	—	14,489
Colorado.....	2,876	1,618	187	20	146	7	71	24	65	729	9	1,721
Connecticut.....	1,153	513	68	6	200	(³)	16	15	57	294	—	2,141
Delaware.....	160	30	19	—	15	(³)	6	1	12	76	—	477
District of Columbia.....	670	92	38	7	54	—	30	12	22	405	10	2,882
Florida.....	2,308	512	110	38	58	1	191	17	114	1,296	—	2,860
Georgia.....	2,557	445	99	18	40	7	420	41	228	1,258	(³)	2,597
Idaho.....	700	219	94	6	18	7	25	9	34	287	—	251
Illinois.....	11,634	3,577	301	222	2,427	9	331	96	418	4,254	—	5,176
Indiana.....	4,038	1,289	468	50	349	2	109	51	172	1,887	163	6,036
Iowa.....	2,651	1,202	66	38	254	4	75	39	129	844	—	1,636
Kansas.....	2,150	645	209	31	189	7	102	42	105	821	—	381
Kentucky.....	2,785	539	115	—	43	10	570	36	195	1,378	—	2,259
Louisiana.....	2,773	470	405	21	191	18	308	30	145	1,186	—	1,017
Maine.....	843	303	69	25	129	3	30	12	77	195	1	1,687
Maryland.....	1,171	319	190	14	148	1	57	17	65	355	6	3,816
Massachusetts.....	7,387	2,567	713	28	937	(³)	102	42	242	2,756	(³)	7,202
Michigan.....	6,205	1,637	882	33	749	16	235	74	311	2,270	—	1,634
Minnesota.....	4,301	1,370	318	27	431	18	210	49	138	1,740	—	1,617
Mississippi.....	1,809	244	49	12	3	2	361	27	137	975	—	2,779
Missouri.....	4,963	1,503	328	183	219	24	375	48	193	2,174	15	7,068
Montana.....	885	261	77	6	41	9	57	9	28	392	5	252
Nebraska.....	1,886	588	181	16	57	10	70	23	72	861	20	795
Nevada.....	172	66	5	1	7	(³)	11	1	3	79	—	263
New Hampshire.....	545	158	32	8	84	1	10	7	20	225	1	1,536
New Jersey.....	3,908	679	302	18	535	(³)	102	19	186	2,067	1	8,818
New Mexico.....	844	80	54	4	16	5	160	8	38	473	17	568
New York.....	18,326	3,140	1,469	77	6,704	4	335	159	641	5,792	7	6,602
North Carolina.....	2,537	394	165	31	28	18	349	49	238	1,245	—	4,307
North Dakota.....	615	168	76	3	29	1	72	15	35	215	—	118
Ohio.....	8,553	3,269	470	81	800	5	298	81	320	3,205	25	6,670
Oklahoma.....	3,697	1,400	366	40	40	12	423	40	209	1,167	—	1,166
Oregon.....	1,267	474	87	12	103	11	33	18	36	491	—	3,955
Pennsylvania.....	12,106	2,296	2,108	415	1,736	5	501	102	505	4,459	(³)	9,226
Rhode Island.....	664	154	60	2	123	—	9	8	24	286	—	1,579
South Carolina.....	2,129	169	65	8	20	13	226	28	92	1,315	194	3,273
South Dakota.....	841	283	47	4	35	8	100	19	37	308	—	114
Tennessee.....	2,406	403	264	18	716	5	426	51	159	1,065	—	5,434
Texas.....	6,990	2,905	6	29	80	24	753	103	400	2,689	—	6,880
Utah.....	1,179	393	171	5	104	2	29	14	29	416	18	696
Vermont.....	312	97	22	4	25	3	7	6	21	127	—	83
Virginia.....	1,540	205	94	13	50	3	343	29	158	645	—	7,891
Washington.....	3,366	2,017	210	37	133	7	58	17	79	808	—	5,353
West Virginia.....	2,518	356	303	20	133	(³)	263	28	138	1,279	—	1,625
Wisconsin.....	4,067	1,251	461	47	451	11	170	48	179	1,449	—	737
Wyoming.....	254	85	25	4	13	2	15	3	14	91	1	261

¹ See footnotes to table 1.

² Figures in italics represent programs administered under State laws from State and/or local funds without Federal participation.

³ Partly estimated; does not represent sum of State figures, because total payments for medical care, hospitalization, and burial in 3 States have been excluded and an estimated amount expended by local officials in Rhode Island has been included.

⁴ Includes data for West Virginia in which amount of cash grant payments

cancelled during month exceeded amount of cash grant payments issued by \$2,348.

⁵ Includes total payments for medical care, hospitalization, and/or burial.

⁶ Less than \$500.

⁷ Estimated.

⁸ State program only; excludes program administered by local officials.

⁹ State unemployment relief program only; it is estimated that, in addition \$32,000 was expended by local officials.

Table 10.—Public assistance and Federal work programs: Recipients of assistance and persons employed in the continental United States, by State, October 1941¹

State	Recipients of assistance						Persons employed under Federal work programs						Persons employed on regular Federal construction projects
	Special types of public assistance ¹				Cases receiving general relief	Cases for which subsistence payments were certified by the Farm Security Administration	Civilian Conservation Corps	National Youth Administration		Work Projects Administration	Other Federal agency projects financed from emergency funds		
	Old-age assistance	Aid to dependent children		Aid to the blind				Student work program	Out-of-school work program				
		Families	Children										
Total.....	2, 213, 328	384, 886	927, 766	76, 096	² 796, 000	12, 570	143, 665	272, 401	287, 864	1, 009, 679	3, 573	928, 433	
Alabama.....	20, 332	5, 791	16, 655	635	2, 320	168	6, 015	2, 929	8, 132	24, 509	34	37, 808	
Arizona.....	9, 113	2, 432	6, 621	404	2, 671	960	2, 204	1, 226	937	3, 924	.....	5, 237
Arkansas.....	25, 314	6, 251	16, 112	1, 150	3, 183	50	6, 575	5, 166	6, 882	21, 785	.....	7, 578
California.....	158, 326	15, 083	35, 960	7, 306	32, 502	2, 369	2, 782	14, 137	9, 600	42, 513	.....	76, 069
Colorado.....	42, 762	6, 137	15, 100	618	³ 8, 310	213	1, 060	3, 748	2, 368	10, 463	58	9, 754	
Connecticut.....	17, 728	<i>1, 190</i>	<i>2, 728</i>	214	7, 235	1	236	2, 051	2, 236	4, 291	.....	12, 300
Delaware.....	2, 486	581	1, 661	.....	747	1	82	300	532	1, 255	.....	5, 626
District of Columbia.....	3, 556	1, 012	2, 963	246	2, 208	.....	441	1, 225	885	4, 979	65	14, 719
Florida.....	38, 277	4, 682	11, 367	2, 631	8, 193	14	2, 849	2, 572	5, 102	21, 219	.....	21, 292
Georgia.....	52, 817	4, 559	11, 174	1, 663	6, 017	141	6, 249	7, 446	9, 683	24, 412	18	23, 881	
Idaho.....	9, 628	3, 044	7, 739	280	1, 324	262	381	1, 372	1, 373	4, 863	.....	1, 709
Illinois.....	149, 133	10, 281	23, 320	7, 539	105, 907	401	4, 925	14, 982	16, 043	66, 330	.....	26, 535
Indiana.....	69, 089	15, 724	32, 678	2, 359	⁴ 23, 199	64	1, 620	7, 915	7, 523	23, 075	1, 204	31, 688	
Iowa.....	57, 146	<i>5, 648</i>	<i>7, 612</i>	1, 555	15, 950	135	1, 120	5, 805	6, 115	14, 888	.....	13, 726
Kansas.....	30, 072	6, 531	15, 596	1, 369	11, 699	210	1, 520	5, 895	3, 978	15, 880	.....	3, 571
Kentucky.....	59, 465	⁵ 400	⁶ 1, 300	.....	⁷ 4, 400	161	8, 483	6, 530	8, 959	26, 095	.....	15, 561
Louisiana.....	35, 662	15, 308	39, 006	1, 252	11, 885	292	4, 576	4, 458	6, 900	21, 410	.....	8, 329
Maine.....	14, 435	1, 728	4, 682	1, 094	5, 639	80	445	1, 923	2, 365	2, 950	8	11, 359	
Maryland.....	17, 589	5, 971	16, 418	653	6, 995	31	851	1, 946	2, 757	5, 146	74	20, 858	
Massachusetts.....	87, 440	12, 355	30, 332	1, 181	35, 127	5	1, 523	6, 258	9, 329	36, 159	16	35, 588	
Michigan.....	92, 442	21, 563	50, 586	1, 332	31, 335	312	3, 493	11, 056	10, 357	33, 239	.....	12, 262
Minnesota.....	63, 447	9, 216	21, 869	997	20, 236	461	3, 165	7, 783	5, 475	27, 568	.....	10, 012
Mississippi.....	27, 477	2, 367	6, 183	1, 203	693	81	5, 379	5, 435	5, 863	21, 338	.....	17, 778
Missouri.....	116, 676	14, 299	32, 969	⁸ 3, 180	14, 978	1, 136	⁹ 5, 587	8, 151	8, 664	36, 322	115	45, 847	
Montana.....	12, 415	2, 590	6, 353	286	2, 592	296	903	1, 666	1, 076	5, 796	40	1, 787	
Nebraska.....	29, 466	5, 736	12, 796	756	5, 137	327	1, 050	3, 640	2, 977	14, 204	162	5, 900	
Nevada.....	2, 284	<i>119</i>	<i>277</i>	<i>85</i>	461	7	169	176	173	1, 004	.....	1, 870
New Hampshire.....	7, 152	708	1, 767	332	3, 594	21	149	1, 007	796	3, 501	8	9, 603	
New Jersey.....	30, 971	9, 528	21, 749	741	¹⁰ 23, 268	15	1, 519	4, 154	6, 804	28, 208	4	44, 257	
New Mexico.....	4, 875	2, 094	5, 074	233	¹¹ 945	284	2, 422	1, 325	1, 812	7, 161	84	5, 011	
New York.....	121, 373	31, 210	61, 535	2, 855	¹² 179, 585	106	4, 992	24, 803	23, 336	82, 261	53	36, 827	
North Carolina.....	38, 727	9, 834	23, 296	2, 084	3, 920	413	5, 197	7, 546	11, 332	25, 150	.....	24, 756
North Dakota.....	9, 434	2, 448	6, 766	136	1, 968	26	1, 099	2, 697	1, 436	4, 309	.....	1, 110
Ohio.....	138, 854	11, 813	31, 246	3, 982	42, 188	163	4, 433	12, 710	12, 062	51, 634	96	31, 763	
Oklahoma.....	77, 577	20, 025	45, 960	2, 181	¹³ 9, 735	722	6, 375	6, 732	8, 135	27, 548	.....	9, 066
Oregon.....	21, 659	2, 052	4, 814	478	5, 388	475	503	2, 485	1, 579	5, 775	.....	22, 040
Pennsylvania.....	102, 347	57, 464	143, 883	<i>15, 910</i>	87, 261	182	7, 459	16, 332	17, 267	68, 837	3	55, 707	
Rhode Island.....	7, 301	1, 310	3, 708	98	¹⁴ 3, 090	.....	135	1, 142	1, 073	3, 937	.....	8, 132
South Carolina.....	15, 878	3, 924	11, 351	796	2, 402	298	3, 363	3, 875	4, 213	21, 812	1, 399	22, 909	
South Dakota.....	14, 931	1, 692	3, 954	252	2, 574	209	1, 568	3, 710	1, 449	6, 361	.....	1, 350
Tennessee.....	39, 566	14, 135	35, 251	1, 621	¹⁵ 2, 700	119	6, 334	9, 229	7, 973	23, 597	.....	34, 443
Texas.....	154, 092	351	721	1, 252	8, 881	528	11, 213	14, 771	18, 085	56, 327	.....	82, 175
Utah.....	14, 626	4, 013	10, 514	174	4, 141	53	431	2, 063	1, 369	5, 942	128	5, 600	
Vermont.....	5, 669	696	1, 857	161	1, 383	33	106	899	810	1, 912	.....	800
Virginia.....	20, 280	4, 656	13, 640	1, 057	4, 961	72	5, 098	4, 442	6, 436	12, 279	.....	42, 403
Washington.....	61, 301	5, 278	12, 678	1, 042	7, 321	230	884	3, 156	3, 130	10, 524	.....	28, 211
West Virginia.....	21, 212	10, 355	27, 493	933	12, 901	21	3, 910	5, 094	5, 112	23, 410	.....	7, 734
Wisconsin.....	54, 395	12, 045	27, 553	1, 970	20, 195	244	2, 565	7, 907	6, 806	22, 042	.....	5, 822
Wyoming.....	3, 531	762	1, 969	140	778	88	227	531	565	1, 535	4	2, 080	

¹ See footnotes to table 2.

² Figures in italics represent programs administered under State laws from State and/or local funds without Federal participation.

³ Partly estimated; does not represent sum of State figures, because an estimated number of cases receiving medical care, hospitalization, and/or burial only in 3 States has been excluded, an estimated number of cases aided by local officials in Rhode Island has been included, and data on cases aided in Oklahoma have been estimated to exclude duplication.

⁴ Includes unknown number of cases receiving medical care, hospitalization, and/or burial only.

⁵ Estimated.

⁶ State program only; excludes program administered by local officials.

⁷ Includes cases receiving medical care only; number believed by State agency to be insignificant.

⁸ Represents 3,778 cases aided under program administered by State board of public welfare, and 5,957 cases aided by county commissioners; amount of duplication believed to be large.

⁹ State unemployment relief program only; it is estimated that, in addition, 1,600 cases were aided by local officials.

ERRATUM

On page 32 of the December Bulletin, the sentence in column 2, lines 31-38, should have read, "The central State agency which supervises general relief in the State of Washington recommends that payments in kind be made to employable persons and payments in cash to unemployable persons; payments in kind predominate despite the fact that the State since early in 1939 has made an effort to remove employable persons from the rolls."

EMPLOYMENT SECURITY

BUREAU OF EMPLOYMENT SECURITY • REPORTS AND ANALYSIS DIVISION

Operations of the Employment Security Program

Labor-Market Developments, November 1941

Although the outstanding labor-market developments apparent during the 2 previous months continued without serious modification during November, the month marked the end of a period. With the entry of the United States into the war in December, the defense program gave way to the all-out mobilization of productive facilities essential to victory. To attain the production of material necessary for total war, current economic trends will continue, but at a greatly accelerated rate; developments that might have been spread over many months will be telescoped into a few.

Some of these developments will undoubtedly receive added emphasis as a result of the rapid, mass conversion of machinery and manpower from consumer-goods output to the production of planes, tanks, ships, and guns. The conversion of the automobile industry to war production stands out as a major immediate requirement. The maximum utilization of all productive resources, however, will also necessitate greater attention than had been paid previously to the formulation of plans to draw small firms into armament production through an extensive program of allotting contracts for "bits and pieces," to retrain workers formerly engaged in consumer-goods production, to utilize worker-skills most economically, and to increase the size of the labor force through more widespread use of older workers and of female and Negro labor.

Although industrial output during November continued at the level of the previous month, industrial employment declined slightly from the October total, according to estimates of the Bureau of Labor Statistics. The over-all picture was the result of offsetting trends in various industries. While defense production—primarily aircraft, shipbuilding, ordnance, and machinery—continued to expand at a rapid rate, declines, though of less-than-seasonal proportions, occurred in such industries as canning, sawmills, and clothing. Bureau of Labor Statistics data indicate that some decreases in employment, as in the automobile industry, also were caused by material shortages and

curtailment orders. Although the production of automobiles was slightly greater than in October, some 7,300 fewer workers were employed. The extensive lay-offs anticipated in this industry did not, however, materialize during the month, and total employment was only 2.2 percent less than it had been a year earlier.

Construction activities, in spite of some seasonal declines in Northern States, proceeded at a high level and gave employment to an increased number of workers. Some decrease may be expected within the next few months, since contract awards for residential, public works, and utilities construction have declined, though these declines will be offset to some extent by increases in nonresidential contracts. Greater-than-seasonal increases in employment were also reported in retail trade, despite the fact that limitation orders had reduced the supply of many durable consumers' goods. Increased income payments, resulting from expansion of working hours, overtime payments, and wage increases, stimulated consumer demand and brought the holiday trade to a record high.

Although material shortages and curtailment orders have not had pronounced effects up to the present, they will undoubtedly result in serious unemployment in the next few months. That the volume of labor displacement arising out of a lack of materials has not yet been great is shown by an analysis of reports received from local employment offices during the month of November. These reports cover 735 manufacturing plants employing 50 or more workers each; they are located in 30 States, and together employ 643,000 workers. Actual lay-offs in these firms up to the end of November were estimated at approximately 48,300, but anticipated lay-offs are expected to reach a total of 124,000 workers. Actual plus anticipated lay-offs by these firms represent more than one-fourth of their total original employment. Somewhat less than half of the firms that have already released workers were relatively small establishments, employing 50 to 250 workers. Automobile plants comprise most of the large firms that have so far been affected.

The problem of unemployment is serious in its effects on particular areas and in certain industries, especially those using metals, textiles, and chemicals. The area that appears to be hardest hit is the Great Lakes and Ohio Valley region. Illinois, Indiana, Michigan, and Ohio accounted for nearly 60 percent of the lay-offs that actually occurred during November and for nearly three-fourths of all anticipated displacements.

In this region are concentrated many plants producing goods affected by limitation orders or using vital defense materials. In Michigan, the industries most seriously affected are automobiles, parts, and accessories; in Indiana and Ohio, automobiles, electric refrigerators, domestic laundry equipment, and other household appliances; in Illinois, stoves and electrical machinery, including radios, refrigerators, and parts; and in Wisconsin, aluminum products, rubber goods, and hosiery. Other industries and areas reporting actual and anticipated lay-offs are hardware, brass, textile, and jewelry firms in New England; stove, textile, and metal-furniture manufacturers of the South and Middle West; automobiles, metal furniture, textiles, gloves, and silk in New York and Pennsylvania; refrigerators, washing machines, plumbing fixtures, and farm machinery in Iowa and Minnesota.

Labor displacement has affected specific communities in varying degrees. On the basis of a series of surveys made by the United States Employment Service, the Office of Production Management had, as of December 1, certified 15 communities as distress areas, and action was pending on 33 others also in a critical situation. These distress areas were concentrated in the Great Lakes region. Such certification by the OPM to the Army and Navy places these communities in a favored position for receiving defense contracts.

The severity of the problem in the immediate future depends upon several factors. The rate of displacement will probably be greatly accelerated, largely as a result of the drastic curtailment of automobile production. Much depends upon the speed with which plant facilities can be converted and the rate at which employment can be expanded as new plants go into production. A survey in November of 10,000 manufacturing establishments employing about 5 million workers

indicates that while they expected to lay off about 147,000 workers by May 1942, they also anticipated hiring 470,000 workers during the same period. Hence, for every man laid off, at least 3 will be hired. These estimates, however, were made before the outbreak of war and, undoubtedly, have been considerably modified.

The chief labor-market problems caused by these expansions and contractions in employment arise out of such factors as the time lag between lay-off and reemployment; the possibility that reemployment opportunities will be in localities other than those in which the lay-offs occurred; and the likelihood that skills required for the new jobs will differ considerably from the skills of the displaced workers. Indications are that the largest accessions during November-May will take place in such States as California, New York, Pennsylvania, New Jersey, Ohio, Maryland, and Texas, while the State of Michigan, most severely affected by displacement, anticipates a net loss in employment. There may be a considerable amount of migration from distress areas to centers of expanding employment during the transition period; such out-migration will intensify the problem of labor recruitment when the converted plants go into war production later in the year.

Labor Available in Selected Defense Occupations in November 1941

For the second successive month a slight rise occurred in the number of primary registrations of fully qualified and available job seekers in 623 selected defense occupations. The increase of 1.6 percent, or 3,700, from October 18 to November 15 brought to 233,000 the number of registrations in the active files of public employment offices (table 1). Nearly half the additional registrants were building-construction workers, and the total registrations for that group increased to 83,500. Other categories in which there were increases included cold-metal fabricating which rose 690 to a total of 14,000; textile occupations, which rose 640 to 17,200; and woodworking occupations, which rose 460 to 6,900.

On the other hand, despite reported lay-offs in nondefense plants in many areas, during October and November total registrants in the hot-metal fabricating, metal-machining, metal-finishing, and technical and professional occupational groups declined slightly. In Michigan and Ohio, where

displacement was reported to be gaining momentum, primary registrants decreased 2,000 and 1,500, respectively.

In spite of adequate reserves in the country as a whole, the disparity between the places where labor is needed and those which have a plentiful supply made it necessary to place some occupations in interstate clearance. In other occupations the acceleration of the defense training program

was reflected in the increased numbers of partially qualified available registrants, which offset decreases in the number of fully qualified registrants.

Geographic distribution of primary registrants.—Registrations reported by Texas rose 39 percent to 15,000. Of the 4,200 additional registrations, however, 1,800 were in building-construction trades. The completion of air-training schools and Army cantonments in the State undoubtedly

Table 1.—Primary registrations of fully qualified and available job seekers in 623 selected occupations, by State and occupational class, November 15, 1941

[Data reported by State agencies, corrected to Dec. 8, 1941]

Social Security Board region and State	Total		Technical, professional, and kindred	Hot-metal fabricating	Cold-metal fabricating	Metal machining	Metal finishing	Assembly	Installation, maintenance, and repair	Electricians and related	Textile, garment, and related	Building construction	All other ¹
	Number	Percentage distribution											
Total, 49 States	232,821	100.0	6,358	9,840	13,955	13,171	6,599	22,708	20,231	10,066	17,188	83,518	29,187
Region I:													
Connecticut	1,255	.5	53	56	176	154	64	83	81	49	156	219	164
Maine	1,698	.7	39	66	19	96	36	72	176	84	329	540	241
Massachusetts	6,174	2.7	226	179	214	336	182	343	475	107	1,306	2,026	780
New Hampshire	463	.2	14	11	8	10	14	8	64	17	66	166	85
Rhode Island	1,639	.7	23	25	25	93	22	44	147	27	852	273	108
Vermont	168	.1	15	4	4	9	3	5	19	10	16	43	40
Region II:													
New York	25,044	10.8	886	424	1,421	1,343	465	1,918	1,436	1,921	2,510	10,411	2,309
Region III:													
Delaware	312	.1	8	6	31	14	7	24	27	14	6	135	40
New Jersey	7,474	3.2	277	259	449	417	172	643	524	302	1,327	2,075	1,029
Pennsylvania	11,771	5.1	303	752	687	1,001	334	1,093	975	471	2,288	2,286	1,581
Region IV:													
District of Columbia	661	.3	62	8	91	10	2	53	26	24	54	250	81
Maryland	1,022	.4	43	41	98	47	23	112	80	47	118	279	134
North Carolina	4,932	2.1	37	64	73	37	23	73	209	85	1,138	2,885	308
Virginia	2,242	1.0	30	62	60	29	17	121	135	94	305	1,098	291
West Virginia	1,415	.6	57	121	74	41	22	106	108	87	129	451	219
Region V:													
Kentucky	4,076	1.8	74	222	181	184	75	269	327	155	93	1,903	533
Michigan	16,182	7.0	180	1,057	2,746	1,700	1,270	3,511	698	283	660	1,706	2,371
Ohio	11,201	4.8	267	879	1,524	1,165	814	1,493	777	330	264	2,070	1,618
Region VI:													
Illinois	13,881	6.0	522	1,071	1,331	1,348	632	1,435	1,152	463	443	3,227	2,257
Indiana	8,330	3.6	237	510	702	938	471	1,260	770	256	76	1,496	1,614
Wisconsin	5,465	2.3	140	297	485	421	317	786	392	182	52	1,583	810
Region VII:													
Alabama	4,539	1.9	30	279	89	61	76	179	305	120	787	2,044	569
Florida	3,895	1.7	112	47	72	126	38	189	409	178	75	2,174	475
Georgia	6,962	3.0	89	223	193	106	81	275	496	174	1,770	2,968	587
Mississippi	2,614	1.1	29	45	28	27	47	66	178	70	106	1,729	289
South Carolina	2,404	1.0	19	29	27	21	15	34	142	37	721	1,225	134
Tennessee	3,785	1.6	72	283	210	114	82	291	256	137	463	1,290	587
Region VIII:													
Iowa	2,259	1.0	39	87	121	135	65	265	241	169	14	888	255
Minnesota	3,991	1.7	125	167	227	188	75	323	598	214	55	1,407	612
Nebraska	1,632	.7	77	58	108	94	8	172	232	109	13	593	168
North Dakota	321	.1	9	11	6	3	1	18	55	15	1	183	19
South Dakota	603	.3	13	33	10	11	1	30	85	34	1	352	33
Region IX:													
Arkansas	7,636	3.3	102	207	96	160	124	371	537	372	29	4,843	795
Kansas	5,714	2.5	245	207	193	211	46	622	731	281	9	2,656	513
Missouri	10,352	4.4	251	467	600	476	239	971	1,208	573	91	4,318	1,158
Oklahoma	5,305	2.3	120	210	121	168	36	510	655	265	76	2,520	624
Region X:													
Louisiana	2,068	.9	41	34	55	68	23	200	176	91	39	1,058	283
New Mexico	1,573	.7	27	52	22	21	10	74	162	60	14	943	188
Texas	14,997	6.4	497	362	230	478	147	1,914	1,721	666	372	6,666	1,944
Region XI:													
Arizona	741	.3	15	49	22	29	5	44	122	41	4	359	60
Colorado	2,612	1.1	127	136	107	76	18	201	365	125	25	1,118	314
Idaho	1,205	.5	33	58	12	25	19	54	188	62	2	655	97
Montana	422	.2	17	20	2	8	3	23	63	20	1	199	66
Utah	984	.4	59	85	26	32	0	69	146	68	8	406	85
Wyoming	255	.1	4	6	1	10	1	29	32	9	1	153	9
Region XII:													
California	15,601	6.7	593	422	879	1,001	328	2,016	1,873	946	269	5,467	1,807
Nevada	251	.1	11	7	4	8	0	29	31	13	0	136	12
Oregon	2,107	.9	54	35	43	69	53	141	303	93	37	912	367
Washington	2,588	1.1	55	107	52	61	93	146	323	116	17	1,094	524

¹ Includes inspecting, testing and adjusting, woodworking, chemical, and miscellaneous occupational classes.

contributed to the increase. The remainder of the rise in registrations resulted, in part, from lay-offs in repair shops and small metal-working shops throughout the State.

In New York State the number of registrants rose again, to 25,044. In the New York City metropolitan area, the inability to obtain steel, brass, copper, and aluminum resulted in lay-offs. Workers engaged in the manufacture of metal office equipment, nonelectrical machinery, electrical appliances, metal stampings, hardware, and textile products were laid off because their employers could not obtain steel, brass, copper, and aluminum. In up-State New York, seasonal declines in construction and in the garment industries augmented other lay-offs which were due to material shortages in the metal-furniture, automobile, and silk industries.

The increase of 1,440 primary registrants in California reflected lay-offs in building construction, automobile services, the metal trades, and in machine shops and sheet-metal establishments. In-migration contributed to the rise in the number of registrants, though this source of California's labor supply diminished somewhat during November.

Though some areas in Indiana were hard hit as a result of priorities, displacement of nondefense workers had not yet reached serious proportions for the State as a whole. The result was that there were only 800 more primary registrants in selected defense occupations in Indiana on November 15 than on October 18, and these were concentrated in the assembly occupations. The 38-percent increase in registrants in Colorado and the 36-percent rise in Oregon were caused largely by the addition of building-trades workers whose work on an ordnance plant and other construction projects had been completed. In Arkansas, construction workers hired to erect plants for the production of war materials contributed toward a reduction of 2,500, or 25 percent, in the number of registrants.

In spite of material shortages and curtailed automobile production, the number of registrants in Michigan declined 2,000 from the previous month. The effect of the serious reduction in automobile production was mitigated to a considerable degree by the steady increase in defense production in the State. Also, a shortened work-week was widely adopted in an effort to prevent

widespread unemployment. Contracts awarded by the Office of Production Management also helped to sustain employment. Where lay-offs did occur, apparently workers were rapidly re-absorbed by defense industries. Compensable claims for benefits for total unemployment in Michigan actually declined 9.7 percent from October to November. Ohio, Iowa, Pennsylvania, and Louisiana also showed significant declines in the number of primary registrants.

Changes in labor supply in selected occupations.—Of the technical, professional, and kindred occupations in which shortages were known to exist, none showed significant increases in the number of primary and supplementary registrants. Although there were over 100 aeronautical draftsmen registered, it was necessary to place this occupation in interstate clearance¹ because 50 job openings were in New Jersey, where there were no registrants. The number of marine draftsmen referable for placement fell from 72 to 26 between October 18 and November 15, and registrations of industrial engineers and tool designers also declined. The 73 available tool designers could not begin to fill interstate clearance orders which numbered more than 200 for Michigan, Ohio, and California alone.

There were, however, 2,154 mechanical draftsmen, of whom more than one-half were fully qualified. Although these figures appeared to indicate adequate reserves for that occupation, interstate clearance orders showed that California needed 500 mechanical draftsmen, but that only 55 fully qualified men were available in that State. The 42-percent increase to 580 radio operators reflected the addition of workers who had received training, notably in Oregon, Kansas, Mississippi, and Texas. It is expected that the number of radio operators will be augmented considerably by graduates of the Boston merchant-marine training school as a result of the drive for 1,500 operators conducted by the United States Maritime Commission.

Among the hot-metal fabricating occupations, the numbers of bench molders, floor molders, and coke or coal furnace tenders referable for placement showed slight increases. Stringencies existing in the supply of coremakers, skilled drop-

¹ Clearances mentioned in this report are based on clearance orders of employers received by public employment offices during November and placed in intra-area or interarea clearance.

hammer operators, and heat treaters, however, were aggravated by further declines in the numbers of such workers referable.

Of the cold-metal fabricating occupations in which there were shortages of available job seekers, the 8,300 aircraft sheet-metal workers showed the most significant rise in numbers, with 2,100 more registrants than on October 18, but the total of fully qualified workers available in this occupation declined 5 percent. Relatively large numbers of trainees in Kansas, California, Texas, Oklahoma, Missouri, and Washington accounted for the over-all increase. With only 6 fully qualified aircraft sheet-metal workers registered in Ohio, it was necessary to resort to interstate clearance for 100 men needed there.

The already adequate reserve of sheet-metal workers was augmented by a 19-percent increase which brought to 6,500 the total number of referable job seekers. Nevertheless, the geographic distribution of these workers made it necessary to place the occupation in interstate clearance for New Hampshire, Massachusetts, and Connecticut, which together needed 120 workers.

Among the metal-machining occupations in which shortages were apparent, all-around machinists showed the greatest increase in numbers—almost 2,300 from mid-October to mid-November. The rise was attributable almost entirely to the increase in registrants receiving training in California, Ohio, and Pennsylvania; the total number of fully qualified registrants in the occupation actually declined 3 percent. Serious local shortages for this skilled trade were indicated by interstate clearance orders for almost 100 workers in Connecticut and Massachusetts and for 300 in Ohio.

Although the number of available marine machinists almost doubled between October 18 and November 15, the national total was still only 440. The inadequacy of supply was apparent when Massachusetts alone placed an interstate clearance order for 200. The expanding defense training program had a pronounced effect upon the numbers registered as metal-planer operators. Although fully qualified registrations for this occupation dropped 13 percent between October 18 and November 15, the total number of registrants rose from 240 to 900. This large rise was largely accounted for by New Jersey, which had 260 partially qualified registrants immediately

referable and over 400 additional workers in training.

The occupation of engine-lathe operator showed a decline in the number of fully qualified workers available, although total registrations rose more than 1,200, principally because many partially qualified workers were attending training courses in Massachusetts, New Jersey, Pennsylvania, Texas, and Wisconsin. Realizing that demands for labor in this occupation, as in many others, can be filled only by the use of such techniques as simplification of job skills, many employers apparently resorted to the use of unit-skilled engine-lathe operators. The number of registrants in this occupation decreased from 5,100 to 2,300 during the October 18–November 15 period.

The total number of referable tool makers rose 14 percent to 450, but this number was obviously inadequate to meet interstate clearance orders alone, since 400 were needed in Michigan and Ohio and 200 in California. The rise from 1,300 to 1,600 turret-lathe operators was due almost entirely to new trainees in New Jersey, Texas, and West Virginia. The number of referable speed-lathe operators dropped from 400 to 200 and milling-machine operators from 2,600 to 2,300. On the other hand, the number of referable radial-drill-press operators rose from 500 to 560, and that of machine-shop inspectors from 850 to 970. Among the other occupations in the metal-machining category which reported shortages, the number of workers referable for the boring-mill operator, job-setter, bench-machinist, die-maker, and metal-patternmaker occupations increased slightly.

For many of the assembly occupations in which there were current or predicted shortages, a marked impetus in training programs was reflected in increases in partially qualified workers. The increase, for example, of more than 1,200 aircraft riveters is largely the result of the registration of new trainees in California, Washington, Texas, Tennessee, and Maryland; the number of fully qualified workers declined 18 percent. Similarly, although the number of fully qualified ship fitters declined 21 percent, total registrations increased 55 percent to 2,400, because of the addition of enrollees in defense courses in California, Texas, Washington, and Louisiana.

In spite of an adequate national supply of automobile mechanics, the need for 1,000 in California made it necessary to place this occupation in

interstate clearance. The 25-percent increase in referable airplane woodworkers reflected the enrollment of almost 300 additional trainees in

Kansas. Wood boatbuilders, ship carpenters, ship joiners, finish boat painters, and ship electricians also showed considerable increases.

Table 2.—Placement activities of public employment offices for all registrants, by State, November 1941

[Data reported by State agencies, corrected to Dec. 23, 1941]

Social Security Board region and State	Complete placements								Supple- men- tary place- ments	Total applications received		Active file as of Nov. 30, 1941		
	November 1941				January–November 1941					Number	Per- cent- age change from October 1941	Number	Percentage change from—	
	Total		Regular (over 1 month)	Total		Regular		Oct. 31, 1941					Nov. 30, 1940	
	Num- ber	Percentage change from— October 1941		Number	Percent- age change from January– November 1940	Number	Percent of total							
														October 1941	Novem- ber 1940
Total.....	406,789	-24.5	+11.5	248,695	4,998,021	+46.8	3,171,557	63.4	176,058	1,327,116	-10.8	4,234,521	+0.1	+7.4
Region I:														
Connecticut.....	7,262	-20.2	+9.3	4,877	94,078	+53.9	67,387	71.6	12	20,620	-2.7	32,980	+8.0	-44.2
Maine.....	3,391	-33.4	+104.2	2,631	42,841	+103.3	33,462	78.1	0	9,827	-13.1	21,530	+4.3	-23.8
Massachusetts.....	7,547	-19.1	+37.3	5,968	96,294	+109.2	78,208	81.2	21	46,836	-17.6	127,703	+1.4	-3.5
New Hampshire.....	1,741	-24.7	-4.0	1,359	24,014	+10.4	18,437	76.8	34	5,569	-16.9	11,682	+8.5	-24.1
Rhode Island.....	1,520	-24.9	+6.3	1,229	22,323	+135.1	18,530	83.0	0	8,308	-8.6	27,018	+5	-6.2
Vermont.....	1,004	-25.4	-30.5	559	12,863	+17.2	7,488	58.2	57	2,611	-3.0	7,057	+17.7	-38.0
Region II:														
New York.....	43,109	-22.4	+36.6	23,814	510,648	+68.6	289,298	56.6	473	147,982	-12.6	393,589	+2	-20.9
Region III:														
Delaware.....	1,489	-6	+22.8	705	16,554	+25.9	8,280	50.0	12	2,635	+2.1	6,639	+2	-26.1
New Jersey.....	16,716	-5.4	+33.4	8,746	174,277	+62.1	107,717	61.8	8	43,193	-23.1	150,994	-1.8	-8.8
Pennsylvania.....	17,542	-27.3	+35.9	12,881	216,679	+54.6	159,866	73.8	1,638	78,512	-24.2	250,530	-5.6	-18.7
Region IV:														
Dist. of Col.....	5,181	-12.9	+9.9	2,331	58,426	+34.2	27,325	46.8	0	10,691	-15.4	20,190	+2.8	-25.1
Maryland.....	4,858	-20.6	+4.0	3,329	66,573	+52.6	44,641	67.0	16	19,393	-16.1	31,996	+7.3	-34.4
North Carolina.....	8,981	-33.2	-30.1	6,434	169,981	+103.5	138,896	81.7	566	28,840	-12.3	91,472	+1.9	+1.8
Virginia.....	6,275	-40.2	-6.2	4,015	115,853	+81.3	88,154	76.1	51	17,852	-26.3	48,041	+6	+4
West Virginia.....	3,169	-37.0	-13.3	1,928	42,732	+39.0	27,380	64.1	126	14,111	-5.3	46,509	-5.0	-19.7
Region V:														
Kentucky.....	3,215	-23.2	-4	2,055	42,942	+44.1	29,339	68.3	75	16,813	-14.3	70,519	-6.4	-18.8
Michigan.....	12,852	-20.4	+4.1	8,337	154,377	+26.4	102,673	66.5	288	45,837	-20.4	122,132	-2.8	-18.4
Ohio.....	22,475	-21.5	+25.7	12,426	267,824	+60.3	153,988	57.5	247	61,882	-7.8	188,417	-6.6	-41.8
Region VI:														
Illinois.....	18,125	-19.5	+13.5	10,827	231,517	+54.9	140,903	60.9	2,683	106,781	+41.2	201,911	+18.8	+21.9
Indiana.....	10,899	-19.0	+18.8	7,236	138,826	+58.0	92,678	66.8	558	31,294	-14.8	230,960	+1.6	+63.0
Wisconsin.....	8,079	-21.2	+13.6	4,374	106,605	+42.8	62,669	58.8	405	25,049	-1.9	70,981	-1.5	-28.5
Region VII:														
Alabama.....	4,750	-22.1	+34.1	3,568	60,681	+28.8	42,641	70.3	417	20,381	-18.6	85,993	+6	-3.8
Florida.....	6,937	-4.9	-59.4	5,534	66,903	+26.6	51,726	77.3	362	21,918	+4.7	99,247	-5.3	+29.8
Georgia.....	7,379	-44.0	+12.5	5,215	108,488	+21.4	73,425	67.7	72	25,751	-36.7	94,599	-2.6	-31.6
Mississippi.....	3,800	-47.1	+4.9	3,193	63,245	+33.4	53,641	84.8	78	20,573	-30.1	82,842	+3.6	+25.4
South Carolina.....	5,157	-27.7	+88.9	4,028	80,033	+145.5	66,914	83.6	230	14,715	-36.7	62,788	-1.4	+49.0
Tennessee.....	6,508	-41.3	+2.4	4,611	94,758	+64.1	68,560	72.4	36,589	21,676	+1.6	129,817	+5.4	+17.2
Region VIII:														
Iowa.....	8,518	-19.8	+31.0	4,952	90,853	+25.4	50,346	55.4	1,672	16,704	-12.3	53,050	-1.8	-28.9
Minnesota.....	6,925	-33.3	+16.2	3,475	87,202	+29.7	45,151	51.8	267	28,890	-2.1	77,702	+5.1	-28.2
Nebraska.....	3,205	-32.5	+36.9	1,658	39,246	+23.5	21,452	54.7	125	8,523	+2	39,929	-7.2	+3.8
North Dakota.....	2,859	-56.0	+15.8	1,054	47,455	+20.7	16,897	35.6	948	5,144	-36.6	22,002	+5.7	-5.5
South Dakota.....	1,527	-29.3	+2.5	701	19,976	+19.4	9,825	49.2	1,304	4,564	-15.1	17,183	+1.6	-19.8
Region IX:														
Arkansas.....	6,153	-32.2	-39.4	4,781	75,317	+20.1	41,006	54.4	20,341	22,680	+2.6	89,926	-6.0	+134.2
Kansas.....	7,382	-24.4	+86.5	3,863	80,946	+78.3	40,385	49.9	781	16,989	-15.2	59,482	-1.7	+11.1
Missouri.....	13,051	-37.9	+69.1	9,275	164,277	+88.6	119,825	72.9	986	42,492	-19.3	184,337	-4.6	+16.2
Oklahoma.....	5,150	-7.4	+51.7	2,192	50,361	-6.0	23,727	47.1	812	20,282	-5.5	89,552	-7	+95.6
Region X:														
Louisiana.....	5,846	-22.6	-57.9	4,301	68,632	+30.8	51,534	75.1	1,311	20,578	-13.4	123,035	+6	+9.4
New Mexico.....	3,493	-40.1	+41.2	1,468	25,918	+39.0	13,115	50.6	3,964	5,422	+34.5	21,793	-13.9	-11.5
Texas.....	30,726	-18.6	-22.3	15,287	367,336	+12.6	204,241	55.6	55,982	65,562	-2	280,691	-1	+27.4
Region XI:														
Arizona.....	2,074	-14.1	-13.9	1,115	27,499	-4.2	15,336	55.8	5,928	4,439	-11.9	16,767	+5.9	-5.9
Colorado.....	3,369	-16.2	-15.9	1,860	45,606	-22.1	24,558	53.8	2,277	11,286	+7.5	46,178	+7.5	-8.6
Idaho.....	2,370	-46.9	-10.6	1,113	35,435	+20.5	15,115	42.6	1,417	4,321	+13.6	19,660	-2	(1)
Montana.....	1,435	-51.3	+26.5	1,009	25,987	+26.9	17,930	69.0	429	5,210	+1.1	10,439	+13.0	-40.6
Utah.....	2,786	-29.0	+28.0	1,176	28,181	+65.4	13,777	48.9	155	7,916	-26.5	16,272	+6.9	-32.2
Wyoming.....	831	-51.1	-20.7	468	17,330	+55.6	12,603	72.7	30	2,445	+13.7	5,400	+24.9	-17.8
Region XII:														
California.....	38,410	-19.2	+70.1	22,982	393,062	+64.8	229,488	58.4	8,551	116,606	-11.6	290,252	+2.7	-23.3
Nevada.....	1,618	-14.2	+87.5	950	19,951	+65.1	12,298	61.5	66	3,020	-1.7	3,701	+9.2	-37.2
Oregon.....	11,738	-9.9	+97.5	8,030	105,352	+82.1	76,133	72.3	4,741	16,384	-4.9	23,941	+12.0	-35.5
Washington.....	5,765	-26.9	+6	3,440	80,899	-3.9	46,106	57.0	2,822	25,593	+5.6	31,509	+15.7	-54.6
Territories:														
Alaska.....	786	-15.7	+89.4	630	10,099	+60.8	7,458	73.8	11	1,103	-22.0	839	-12.5	-44.6
Hawaii.....	811	-20.6	-22.2	705	10,766	+9.5	9,055	84.1	20	1,313	-38.7	2,845	-17.1	-61.3

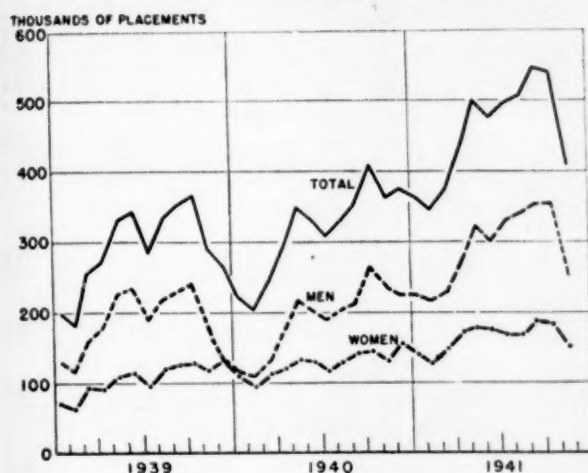
¹ Total excludes Idaho, for which data are not comparable.

Placement Activities

Placements made by public employment offices in November registered a sharper than usual seasonal decline. The 407,000 jobs filled, 25 percent less than the number for October, constituted the lowest volume of placements in any month since March. November placements, however, numbered 12 percent more than those in November 1940. Job applications declined to 1.3 million, 11 percent below the October figure, while the active file remained unchanged at 4.2 million.

Seasonal reductions in certain industries and the effect of material shortages and priorities explain some of the decrease in the number of placements, but the fewer number of working days in

Chart 1.—Placements of men and women by public employment offices, January 1939–November 1941



the month accounts for the major part of the decline. October had 25 working days whereas November, with five week ends and, in most States, three midweek holidays, had only 19½. Adjusted for this loss in working time, the decline in placements would amount to only about 3 percent.

Placements.—Every State shared in the Nation-wide decline in placements, and 37 States reported decreases of 20 percent or more (table 2). The drop in placements was sharpest in several of the agricultural States, a normal occurrence after the harvest. Substantial declines, ranging from 40 to 56 percent, were reported by North Dakota, Wyoming, Tennessee, Montana, Idaho, Mississippi, Georgia, and New Mexico. Seasonal reductions in canning, lumbering, and construction

operations, curtailments in a number of nonwar industries, and a leveling off of defense activity in many areas contributed to the declines.

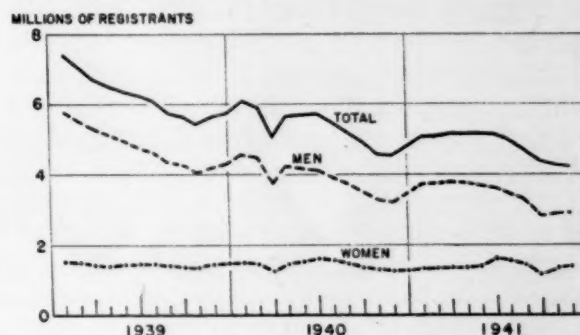
As a group, the 15 States to which the largest volumes of defense contracts have been awarded showed a decline of only 22 percent as compared with a decline of 28 percent for all other States. If adjustment is made for the number of working days, the war-industry States would actually show a decrease of less than 1 percent in the rate of placements.

More jobs were filled in November than in the same month of 1940 in all but 15 States. The reductions in most of the 15 States, especially in Arkansas, Florida, Louisiana, and North Carolina, were occasioned by the fact that in the fall of 1940 thousands of workers, not normally engaged in this type of work, were being hired on large-scale construction projects related to the defense program. These projects have since been completed.

The public employment offices in November filled 253,000 jobs with men and 153,000 with women (table 3). These totals represent increases of 8.5 and 17 percent, respectively, over the figures for November 1940, and were the smallest increases recorded this year on the basis of 12-month comparisons. Only Arkansas, Hawaii, Texas, and Vermont showed declines from November 1940 in placements for both men and women. Reductions for men alone were also noted in 14 other States and in 7 others, for women alone.

On the basis of a month-to-month comparison, the relative increase for women was larger than for men for the first time since October 1940. In

Chart 2.—Active file of men and women registrants at public employment offices as of end of month, January 1939–November 1941



Delaware, the District of Columbia, Kentucky, Louisiana, New Jersey, New York, Rhode Island, and West Virginia more women than men were placed in November 1941.

Active file of registrants.—At the end of November, the active file held 4.2 million registrations, 7.4 percent below the figure a year earlier (table 2). In 13 of the 49 States, excluding Indiana and Texas

Table 3.—Placement activities of public employment offices for men and women, by State, November 1941

[Data reported by State agencies, corrected to Dec. 23, 1941]

Social Security Board region and State	Men					Women						
	Complete placements			Total applications received	Active file as of Nov. 30, 1941		Complete placements			Total applications received	Active file as of Nov. 30, 1941	
	Number	Percentage change from November 1940	Regular (over 1 month)		Number	Percentage change from Nov. 30, 1940	Number	Percentage change from November 1940	Regular (over 1 month)		Number	Percentage change from Nov. 30, 1940
Total.....	253,387	+8.5	166,351	890,657	2,654,935	+9.6	153,402	+16.9	82,344	436,459	1,185,997	+4.0
Region I:												
Connecticut.....	4,405	+4.9	3,274	12,481	18,155	-47.8	2,857	+16.8	1,603	8,139	14,825	-30.2
Maine.....	2,562	+155.4	2,014	6,664	13,911	-28.9	829	+26.0	617	3,163	7,619	-12.1
Massachusetts.....	4,425	+31.6	3,715	27,167	74,668	-2	3,122	+46.2	2,253	19,669	53,035	-7.6
New Hampshire.....	1,299	-5.7	1,038	3,570	6,968	-23.7	442	+1.1	321	1,999	4,714	-24.7
Rhode Island.....	690	-12.4	604	4,632	15,778	-3.9	830	+29.3	625	3,676	11,240	-9.4
Vermont.....	619	-39.4	368	1,740	4,260	-45.1	385	-9.0	191	871	2,797	-22.9
Region II:												
New York.....	20,922	+43.7	14,406	90,540	(1)		22,187	+30.4	9,408	57,442	(1)	
Region III:												
Delaware.....	478	+6.7	323	1,652	3,941	-32.1	1,011	+32.3	382	983	2,698	-13.0
New Jersey.....	7,531	+29.7	4,965	25,905	88,096	-14.9	9,185	+36.5	3,781	17,288	62,898	+1.2
Pennsylvania.....	9,840	+48.2	8,166	50,582	162,959	-25.4	7,702	+22.8	4,715	27,930	87,571	-2.3
Region IV:												
Dist. of Col.....	2,116	-4.9	1,034	5,839	10,871	-29.4	3,065	+23.2	1,297	4,852	9,319	-19.3
Maryland.....	3,146	-6.0	2,409	12,912	20,977	-31.9	1,712	+29.4	920	6,481	11,019	-38.6
North Carolina.....	6,004	-42.3	4,410	18,875	58,323	-9.1	2,977	+22.2	2,024	9,965	33,149	+29.3
Virginia.....	3,776	+2.4	2,650	11,274	28,468	-12.9	2,499	-16.7	1,365	6,578	19,573	+29.1
West Virginia.....	1,542	-24.5	1,170	9,928	35,715	-24.6	1,627	+7	758	4,183	10,794	+2.2
Region V:												
Kentucky.....	1,602	-24.1	1,018	11,600	53,535	-20.3	1,613	+44.5	1,037	5,213	16,684	-13.7
Michigan.....	9,077	+7.9	5,978	31,727	86,004	-26.1	3,775	-4.1	2,359	14,110	36,128	+8.3
Ohio.....	13,434	+30.2	7,675	41,533	123,361	-47.7	9,041	+19.6	4,751	20,349	65,056	-25.9
Region VI:												
Illinois.....	10,401	+23.8	6,037	71,374	139,820	+22.9	7,724	+2.0	4,790	35,407	62,091	+19.7
Indiana.....	6,579	+23.2	4,183	20,368	158,152	+55.4	4,320	+12.7	3,053	10,926	72,808	+82.4
Wisconsin.....	4,863	+14.8	2,553	16,091	49,193	-35.2	3,216	+11.7	1,821	8,958	21,788	-6.9
Region VII:												
Alabama.....	2,836	+31.0	2,090	14,386	64,340	-9.7	1,914	+38.9	1,478	5,995	21,653	+19.6
Florida.....	4,667	-69.6	3,877	15,682	70,933	+24.7	2,270	+34.4	1,657	6,236	28,314	+44.3
Georgia.....	5,308	+16.4	3,445	17,243	63,637	-34.1	2,071	+3.6	1,770	8,508	30,962	-26.0
Mississippi.....	2,666	+7.7	2,248	15,546	63,290	+22.5	1,134	-1.2	945	5,027	19,582	+35.8
South Carolina.....	3,742	+103.4	2,896	10,043	46,219	+51.1	1,415	+59.0	1,132	4,672	16,569	+43.4
Tennessee.....	3,938	-4	3,003	14,642	86,924	+13.9	2,570	+7.0	1,608	7,034	42,893	+24.5
Region VIII:												
Iowa.....	6,394	+45.7	3,854	11,993	35,349	-30.1	2,124	+6	1,098	4,711	17,701	+7.0
Minnesota.....	4,802	+25.9	2,447	21,109	56,983	-29.8	2,123	-1.0	1,028	7,781	20,719	-23.6
Nebraska.....	2,528	+47.7	1,223	6,466	28,346	-7.0	677	+7.6	435	2,057	11,583	+45.2
North Dakota.....	1,740	+24.9	715	3,388	16,582	-5.9	1,119	+4.0	339	1,756	5,420	-4.2
South Dakota.....	1,084	+4.8	463	3,726	12,569	-23.0	443	-2.8	238	838	4,614	-9.8
Region IX:												
Arkansas.....	4,636	-42.2	3,787	17,556	73,791	+148.2	1,517	-29.0	994	5,124	16,135	+86.1
Kansas.....	5,795	+123.9	3,180	13,378	45,611	+5.9	1,587	+15.8	683	3,611	13,871	+32.4
Missouri.....	9,256	+104.0	6,956	29,182	130,238	+14.7	3,795	+19.4	2,319	13,310	54,099	+19.8
Oklahoma.....	2,943	+84.9	1,370	15,372	70,158	+89.9	2,207	+22.4	822	4,910	19,394	+119.6
Region X:												
Louisiana.....	2,823	-76.7	2,065	14,297	99,275	+8.7	3,023	+71.6	2,236	6,281	23,760	+12.2
New Mexico.....	2,725	+61.8	1,138	4,453	17,980	-13.0	768	-2.8	330	969	3,813	-3.5
Texas.....	20,770	-24.6	11,138	46,544	211,030	+25.2	9,956	-17.0	4,149	19,018	69,661	+34.5
Region XI:												
Arizona.....	1,155	-25.8	675	3,237	12,440	-12.5	919	+7.7	440	1,202	4,327	+19.7
Colorado.....	2,023	-30.6	1,144	8,402	33,236	-11.2	1,346	+23.3	716	2,884	12,942	-1.1
Idaho.....	1,780	-14.3	735	3,471	16,177	(2)	590	+3.0	378	850	3,383	(2)
Montana.....	1,115	+43.7	828	4,274	7,637	-46.8	320	-10.6	181	936	2,802	-13.1
Utah.....	1,808	+42.1	933	5,993	11,444	-38.8	978	+8.2	243	1,923	4,828	-8.9
Wyoming.....	657	-27.6	390	1,935	4,057	-23.2	174	+23.4	78	510	1,343	+3.9
Region XII:												
California.....	24,894	+84.7	15,740	75,873	177,773	-28.9	13,516	+48.4	7,242	40,733	112,479	-12.5
Nevada.....	1,190	+98.3	779	2,421	2,591	-41.6	428	+62.7	171	599	1,110	-23.9
Oregon.....	9,202	+145.2	7,377	13,115	18,306	-38.7	2,536	+15.7	653	3,269	5,635	-22.7
Washington.....	4,196	-5.5	2,620	18,488	22,896	-58.4	1,569	+21.8	820	7,105	8,613	-40.1
Territories:												
Alaska.....	723	+105.4	595	977	588	-56.7	63	0	35	126	251	+61.9
Hawaii.....	680	-22.7	650	1,011	1,110	-80.8	131	-19.1	55	302	1,735	+11.4

¹ Total excludes New York, for which complete data were not reported.

² Total excludes Idaho, for which data are not comparable, and New York, for which complete data were not reported.

which observe no validity period, the file was larger than last year. The 134-percent rise in

Table 4.—Agricultural placements, by State, October and January–October 1941

[Data reported by State agencies, corrected to Dec. 4, 1941]

Social Security Board region and State	October 1941				January–October 1941		
	All placements		Complete placements	Supplementary placements	All placements		Percent of all placements in all industries
	Number	Percentage change from October 1940			Number	Percentage change from January–October 1940	
Total.....	408,006	+19.9	38,004	370,002	1,806,348	+33.4	28.3
Region I:							
Connecticut.....	337	-12.2	337	0	4,222	+96.2	4.8
Maine.....	189	+90.9	189	0	2,093	+176.5	5.3
Massachusetts.....	113	+66.2	113	0	1,705	+173.7	1.9
New Hampshire.....	99	+62.3	99	0	899	+77.3	3.8
Rhode Island.....	23	(1)	23	0	190	+258.5	.9
Vermont.....	307	+34.1	161	146	1,643	+112.0	13.0
Region II:							
New York.....	2,071	+118.0	1,765	306	19,045	+140.4	3.9
Region III:							
Delaware.....	4	(1)	4	0	383	+86.8	2.4
New Jersey.....	326	-2.1	326	0	3,641	+74.0	2.3
Pennsylvania.....	780	+88.4	660	120	4,006	+123.9	1.9
Region IV:							
Dist. of Col.....	51	(1)	51	0	184	+93.7	.3
Maryland.....	413	+2.3	354	59	9,826	+632.7	14.7
North Carolina.....	6,651	+19.2	1,058	5,593	41,454	+203.9	18.5
Virginia.....	158	-7.6	155	3	4,250	+30.0	3.7
West Virginia.....	480	+182.4	321	159	1,565	+243.2	3.6
Region V:							
Kentucky.....	130	(1)	127	3	1,763	-4.1	4.3
Michigan.....	1,010	+1.3	780	230	8,339	+22.8	5.6
Ohio.....	1,987	+39.8	1,906	81	8,392	+33.4	3.4
Region VI:							
Illinois.....	745	+8.4	644	101	11,931	+120.6	5.3
Indiana.....	473	+35.1	472	1	2,486	+9.7	1.8
Wisconsin.....	513	-13.3	470	43	5,358	-6.5	5.2
Region VII:							
Alabama.....	595	+788.0	353	242	9,063	+8.2	15.3
Florida.....	49	(1)	49	0	1,684	-77.3	2.7
Georgia.....	267	-78.2	256	11	7,304	-20.0	7.0
Mississippi.....	2,562	-7.1	1,202	1,360	6,499	+3.6	10.3
South Carolina.....	128	-82.2	122	6	2,622	+36.3	3.4
Tennessee.....	164,908	+122.6	257	164,651	395,580	+222.8	52.2
Region VIII:							
Iowa.....	1,032	-6.9	1,029	3	9,851	+16.4	11.1
Minnesota.....	1,930	+9.5	1,819	111	18,421	+15.1	21.9
Nebraska.....	817	-35.0	676	141	4,694	+70.9	12.5
North Dakota.....	4,674	+97.4	4,051	623	26,793	+8.1	58.1
South Dakota.....	3,163	(2)	454	2,709	10,873	+372.1	41.3
Region IX:							
Arkansas.....	15,471	-76.8	747	14,724	209,854	+46.1	81.0
Kansas.....	541	-20.1	486	55	5,734	+52.3	7.3
Missouri.....	2,932	-83.8	560	2,372	28,095	-26.1	15.9
Oklahoma.....	8,520	-35.2	161	8,359	36,609	+5.1	42.1
Region X:							
Louisiana.....	3,045	+402.5	473	2,572	5,607	+147.5	6.1
New Mexico.....	12,093	+63.1	4,210	7,883	23,256	+50.7	61.2
Texas.....	103,355	+30.0	430	102,925	461,180	-17.8	56.6
Region XI:							
Arizona.....	8,563	+20.6	429	8,134	44,323	+35.6	62.9
Colorado.....	6,797	+30.4	733	6,064	38,822	+13.6	53.1
Idaho.....	8,867	+47.4	2,103	6,764	44,277	+115.2	67.1
Montana.....	2,285	+53.2	1,276	1,009	11,641	+54.1	39.0
Utah.....	1,170	+165.3	794	376	6,670	+32.3	24.5
Wyoming.....	440	-8.1	353	87	2,003	+3.2	11.9
Region XII:							
California.....	14,383	+8.6	3,364	11,019	74,919	+44.5	16.9
Nevada.....	199	+70.1	193	6	3,163	+68.2	16.3
Oregon.....	14,093	-25.5	782	13,221	132,019	+43.2	56.7
Washington.....	8,343	+208.8	615	7,728	50,744	+52.3	34.4
Territories:							
Alaska.....	8	(1)	6	2	52	-24.6	.5
Hawaii.....	6	(1)	6	0	621	+139.8	6.2

¹ Not computed, because less than 50 placements were made in either period.

² Excludes 8,353 supplementary placements made in cooperation with the Arkansas State Employment Service prior to August and included in data for Arkansas.

³ Increase of more than 1,000 percent.

Arkansas was the greatest proportionate increase. Other large percentage increases were reported by States in the Southeast and Gulf and in the Southwest areas.

At the end of November 1941, the active file for all States except New York, for which data were not reported, totaled 2.7 million men and 1.2 million women (table 3). On the basis of comparable data, the number of male job seekers actively looking for work was 10 percent lower, but the number of women job seekers was 4.0 percent higher, than on November 30, 1940. Male registrants were less numerous in 37 States and women registrants were fewer in 25 States.

Vocational Training Activities

Increasing their efforts to offset shortages of skilled and semiskilled workers in the defense industries, public employment offices in October made more referrals to and placements from vocational training courses than ever before. Referrals of persons to pre-employment refresher courses rose to 36,500, a 10-percent gain over the previous month; total referrals for the first 10 months of 1941 were 270,500. The Office of Education, which is in charge of the administration of the vocational training program, estimates that 50,000 persons attending pre-employment refresher courses concluded training in October and that there were 108,000 persons enrolled in these courses on September 30, 1941.

In addition to referrals to pre-employment refresher courses, the public employment offices placed 5,200 persons on NYA youth work defense projects, as against 3,600 in September. These projects give paid training in occupations essential to the defense industries.

Placements of trainees increased 25 percent over September to 11,600 (table 5), almost three times the January 1941 figure. Cooperating agencies—local schools and WPA offices—reported that an additional 15,060 trainees found jobs in October. Thus 165,400 persons from pre-employment refresher courses are known to have obtained employment in the first 10 months of 1941.

Although in many defense industries there are complaints of shortages of potential trainees and continued apprehension regarding the adequacy of future supplies, in most States the number of

Table 5.—Placements of trainees from pre-employment refresher courses, by specified characteristic, October and January–October 1941

[Data reported by State agencies, corrected to Dec. 11, 1941]

Characteristic	Placements	
	October 1941	January–October 1941
Total.....	11,596	69,223
Age (years):		
Under 21.....	4,201	21,039
21–24.....	2,791	18,327
25–44.....	4,082	26,355
45 and over.....	521	3,496
Unspecified.....	1	6
Race:		
White.....	11,454	68,581
Negro and other.....	142	637
Unspecified.....	0	5
Type of course taken:		
Aviation services.....	4,362	27,710
Drafting and blueprinting.....	125	845
Machine shop.....	3,438	23,942
Sheet-metal work.....	683	4,000
Welding.....	1,207	4,620
All other.....	1,781	8,106
Occupation in which placed:		
Professional and managerial.....	62	783
Clerical and sales.....	270	1,367
Service.....	144	765
Agriculture, forestry, and fishery.....	32	150
Skilled.....	3,879	22,418
Semiskilled.....	5,317	32,925
Unskilled.....	1,889	9,842
Unspecified.....	3	973

referrals was higher in October than in the previous month. Accelerated shipbuilding programs and continued demands for aircraft and machine-shop workers necessitated increased enrollments and expanded facilities in California, Michigan, Oregon, Tennessee, and Texas. New trainees are being found by intensified recruiting programs. Radios, newspapers, interviews, and reinterviews are being used to stimulate interest in the training program. Auto workers in Michigan and Ohio, salesmen in New York, and others who have been employed in industries adversely affected by the war effort are among the potential trainees.

Many areas with no immediate local need for all their trainees are nevertheless maintaining their training programs in order to meet demands in other areas. The public employment offices of Iowa, northern Wisconsin, and the Rocky Mountain States have placed trainees in the West Coast aircraft industry. A Maryland aircraft manufacturer uses almost all the trainees from West Virginia and has placed clearance orders for persons trained in aviation-service courses in New York and New England. Many employers are using the Employment Service to obtain trainees from outside areas, but in some localities where there is an excess of trainees, workers leave their homes and migrate to defense-production

centers where they seek and find jobs on their own initiative.

In areas where labor needs are most urgent, employers are hiring untrained workers. In these localities there has been a noticeable shift from pre-employment refresher to supplementary training. This trend may be expected to continue as the demand for skilled workers exceeds the available supply.

There are as yet relatively few women and non-white workers being trained for the defense industries. Employers' preference for trained men and skepticism as to the ability of women in the machine-shop, aircraft, and shipbuilding industries have limited the training program for women. Nevertheless, necessity has caused aircraft manufacturers in California and Maryland to hire women trainees. Women are now enrolled in courses giving training in light sheet-metal work, aircraft riveting, aircraft inspection, aircraft-fabric work, and drill-press operation. Connecticut and Massachusetts report that they have women in machine-shop courses and that placements have been made. Only a relatively small number of Negroes have as yet been referred to pre-employment refresher courses, but the number of referrals of these workers has been increasing. In October a record high of 1,300 were accepted for training, although few placements have been made.

Placement of trainees.—Trainee placements by public employment offices increased in most States during October. As in recent months, more than one-half the total placements were made in California, New York, Ohio, Pennsylvania, and Washington.

The effectiveness of the training program is in part reflected in the fact that 86 percent of the trainees placed received jobs utilizing their training and that 80 percent of the total obtained skilled or semiskilled jobs. In the skilled categories, which accounted for 34 percent of the total placements, most workers got jobs as welders, machine-shop workers, tinsmiths, coppersmiths, and sheet-metal workers. The semiskilled occupations accounted for 46 percent of all placements, and four-fifths of these were in occupations needed in the building of aircraft. Only 16 percent of the trainees were placed in unskilled occupations. The remaining placements were made in the professional, clerical, sales, and agricultural occupations.

The demand for aircraft workers, especially in California, New York, and Washington, was reflected in increased placements of persons who had taken aviation-service courses. Of the total of 11,600 trainees placed, 4,400 or 38 percent had received training in these courses. Placements of persons who had been trained in welding and ship-building also made significant gains over September. As in the 3 preceding months, workers who had taken machine-shop courses accounted for 30 percent of all placements.

Young people continue to account for the majority of the trainee placements. Of all trainees placed, 36 percent were under 21 years of age and 24 percent were aged 21-24. Workers in the age group 25-44 accounted for 35 percent, and those aged 45 years and over for only 4.5 percent of the total.

The detailed data on persons placed by the public employment offices are not necessarily typical of all placements from pre-employment refresher courses. The cooperating agencies report many significant differences as to age, type of course, and occupation of trainees who obtained jobs. Workers who found jobs without the assistance of the public employment service are apparently an older group, and a higher percentage of these workers found employment in skilled occupations. Seventy-five percent were hired in jobs utilizing their vocational training, whereas public employment offices placed 86 percent in such jobs. Trainees from machine-shop and welding courses account for the highest relative number of placements reported by cooperating agencies. These agencies also reported relatively greater placements of nonwhite workers and veterans than did the employment service.

Applicants accepted as trainees.—Thirty-two States shared in the gain in referrals by public employment offices during October. Large increases occurred in California, Michigan, Oregon, Texas, and the Southeastern States. Twenty-two percent of all applicants who were accepted as trainees were in California, where 8,200 referrals—1,900 more than in September—were made. The increase was, in large part, due to the expanded facilities for training workers in ship-building occupations, primarily in the San Francisco Bay area. The number of persons referred to ship and boat building classes in this State was almost equal to the number sent into aviation-

service courses. Gains in referrals to courses in welding, ship and boat building, or riveting represent a large part of the increase in the States of Oregon, Texas, Florida, and Mississippi. Michigan is expanding its entire training program and is finding many potential trainees among auto workers who have been laid off. Kansas and New York, on the other hand, have shown continued decreases in the last few months in referrals to training classes. A backlog of graduate trainees in New York City and a shortage of suitable trainees in a number of up-State areas are apparently responsible for the decrease of enrollments in this State. In some localities in Kansas a tapering off of hiring in aircraft plants and, in others, an inability to recruit sufficient numbers of new trainees are retarding the full utilization of training facilities.

The age distribution of persons referred to training courses changed in October. The percent of applicants under 21 dropped to the level which prevailed before the summer-school training program began. The proportion of applicants aged 25-44, however, rose to a new high for the year (table 6). This change in trend may be due in part to the acceptance as trainees of large numbers of older applicants who have worked in industries in which production has been curtailed.

The 1,300 referrals of nonwhite trainees is a gain of 300 over September. October is the second

Table 6.—Percentage distribution by age of applicants accepted as trainees in pre-employment refresher courses, by month, January-October 1941

Age group	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.
Under 21.....	24.3	26.3	27.0	28.5	28.6	36.9	35.3	30.4	32.3	27.1
21-24.....	26.4	26.5	27.3	23.9	25.0	21.2	21.8	23.6	22.9	21.9
25-44.....	43.4	41.8	39.0	41.5	38.6	35.3	36.8	38.3	39.2	44.6
45 and over.....	5.9	5.2	5.8	6.1	7.9	6.6	6.1	6.5	5.3	6.2
Unspecified.....	0	.2	(1)	0	0	(1)	(1)	1.2	.3	.2

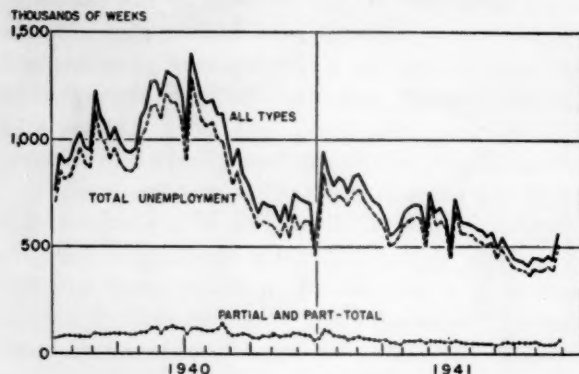
¹ Less than 0.05 percent.

successive month in which referrals of nonwhite persons have increased. The 800 veteran referrals were 2.2 percent of all referrals and were slightly above the total for September.

Insurance Activities

In November the average number of continued claims received during weeks ended within the month registered the first rise since mid-1941. The increase reflected seasonal lay-offs as well as

Chart 3.—Number of weeks compensated, by type of unemployment, for weeks ended in January 1940–November 1941



industrial dislocations resulting from defense activities. The average weekly amount of benefit disbursements during weeks ended in November also rose to a figure 11 percent higher than that for October. The total amount of benefits paid during the calendar month, however, extended its decline to a new low of \$21.1 million. The decline from October in total payments was apparently due to the fact that, because of the fewer number of working days in November, fewer claims were handled during the calendar month. The average weekly benefit figure, however, includes data for the week ended November 1; consequently, this average showed an increase in spite of the fact that the total amount for the calendar month declined 1.7 percent from October.

The 2.6 million claims filed and the weekly average of 470,000 workers receiving checks this month were more than 25 percent below the November 1940 levels. For the first 11 months of 1941, benefit payments aggregated \$317.9 million, 35 percent less than in the corresponding period of 1940.

Weeks compensated.—Although the number of compensated weeks of total unemployment dropped 3.2 percent from the previous month to 1.7 million, the number of compensated weeks of partial unemployment rose from 134,000 to 150,000 (table 7). For the 44 jurisdictions reporting comparable data, this total represented an increase of 8 percent over the previous month, indicating that some industries are resorting to a shortened work week, rather than lay-offs under the stress of conversion from normal to defense production.

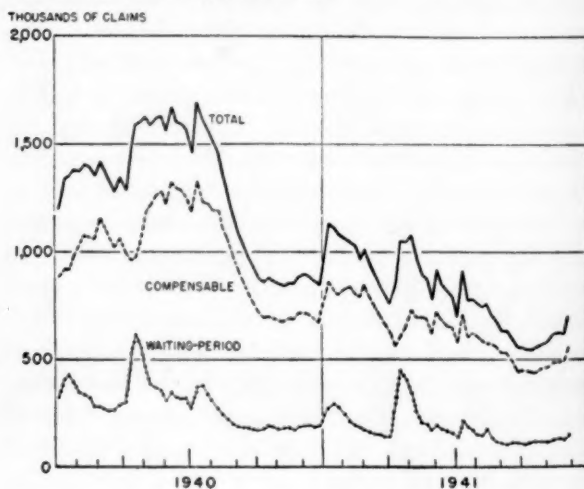
The number of compensated weeks of partial

and part-total unemployment combined rose 59 percent in Connecticut and Tennessee and 51 percent in Oregon. In Maine and New Hampshire, increases of 70 and 95 percent, respectively, resulted from seasonal slackening of operations in the women's shoe industry. In nine jurisdictions the number of compensated weeks of partial and part-total unemployment represented 20 percent or more of all weeks compensated; in three of these—Maine, New Hampshire, and West Virginia—the proportions were about one-third of all weeks compensated.

Benefit payments.—Although aggregate benefit payments declined in November, 30 jurisdictions had increases ranging from less than 1 percent in California, Colorado, and Illinois to 50 percent in Oregon and Wyoming (table 7). Nine of these 30 States were major war-industry States—California, Connecticut, Illinois, Indiana, Missouri, New Jersey, New York, Ohio, and Washington. However, except for rises of 29 percent in Washington, 16 percent in Ohio, 13 percent in Indiana, and 11 percent in Missouri, increases in war-industry States were relatively small.

Normal seasonal unemployment in construction and lay-offs in plants manufacturing automobiles, aluminum ware, and other civilian products affected by priorities are responsible for a 36-percent increase in benefit payments in Wisconsin, while seasonal declines in construction and logging activity were probably the major factors contributing to the rise in Washington. The increase

Chart 4.—Number of waiting-period and compensable continued claims received, for weeks ended in January 1940–November 1941



in benefit disbursements in Oregon was mainly attributable to seasonal reductions in logging and construction and to priorities dislocations in manufacturing and trade; in Wyoming, to com-

pletion of construction at Fort Warren and seasonal lay-offs in highway work.

Other significant increases were those of 45 percent in New Hampshire, 40 percent in Maine,

Table 7.—Continued claims received, weeks compensated, and benefits paid, by State, November 1941

[Data reported by State agencies, corrected to Dec. 23, 1941]

Social Security Board region and State	Continued claims ¹			Weeks compensated					Benefits paid ¹				
	Number	Percent- age change from October	Compensable	Number	Percent- age change from October	Type of unemployment			Amount ⁴	Percent- age change from October	Type of unemployment		
						Total	Partial and part-total combined ²	Partial only ³			Total	Partial and part-total combined ²	Partial only ³
Total.....	2,596,556	+1.9	2,061,012	1,937,768	-2.7	1,723,733	214,035	149,564	\$21,066,351	-1.7	\$19,503,194	\$1,550,560	\$1,029,025
Region I:													
Connecticut.....	28,427	+6.0	23,765	20,910	+6.9	16,346	4,564	4,485	214,033	+2.6	183,648	30,348	29,735
Maine.....	21,181	+34.8	17,119	17,084	+40.0	11,222	5,862	5,339	123,215	+40.3	85,433	37,782	34,546
Massachusetts.....	142,259	+6.4	112,859	114,138	-3.3	99,264	14,874	14,243	1,121,624	-5.1	1,039,605	81,195	77,010
New Hampshire.....	19,552	+46.0	13,266	12,733	+43.8	8,719	4,014	3,963	96,664	+45.4	73,662	23,002	22,680
Rhode Island.....	25,059	-8.0	21,939	21,939	-10.3	19,951	1,988	(⁵)	234,608	-9.6	224,030	10,578	(⁵)
Vermont.....	2,570	+9.5	1,959	1,842	+8.1	1,719	123	89	15,223	+10.8	14,637	573	398
Region II:													
New York.....	438,789	+6.2	331,938	324,635	+1.9	324,635	(⁵)	(⁵)	3,849,562	+3.5	3,849,562	(⁵)	(⁵)
Region III:													
Delaware.....	4,122	-11.0	3,734	3,694	-11.6	2,896	798	709	33,100	-12.2	28,252	4,838	4,285
New Jersey.....	161,529	+4.7	135,901	121,007	+4.3	96,530	24,477	24,161	1,367,763	+4.3	1,191,342	176,036	173,134
Pennsylvania.....	100,166	-15.2	100,784	91,161	-26.8	91,161	(⁵)	(⁵)	963,810	-28.5	963,810	(⁵)	(⁵)
Region IV:													
Dist. of Col.....	12,809	-1.3	10,731	10,129	-4.0	9,709	420	81	120,976	-4.5	115,982	4,680	844
Maryland.....	28,919	-13.5	27,142	26,106	-12.8	20,731	5,375	5,302	289,742	-14.7	249,751	39,473	38,890
North Carolina.....	51,941	-4.5	44,043	43,167	-5.8	40,281	2,886	2,442	291,221	-8.1	279,969	10,954	8,645
Virginia.....	23,508	-2.5	19,733	18,815	+6.4	17,823	992	589	156,998	-1.4	150,871	6,066	3,567
West Virginia.....	17,915	-11.4	15,801	16,784	-11.9	11,024	5,760	5,651	162,413	-5.0	114,759	47,654	46,946
Region V:													
Kentucky.....	15,313	+24.5	12,466	24,932	+19.6	21,060	3,872	2,200	178,328	+18.1	160,253	17,440	10,380
Michigan.....	100,283	-10.9	81,747	85,892	-16.7	82,583	3,309	2,209	1,063,640	-16.3	1,038,363	25,277	14,731
Ohio.....	114,607	+14.4	87,430	70,080	+7.4	63,087	6,993	4,731	714,564	+16.5	672,963	39,384	25,030
Region VI:													
Illinois.....	163,445	+3.9	148,090	143,627	-6.6	108,543	35,084	24,264	1,688,464	+1.1	1,422,589	262,695	169,381
Indiana.....	59,641	+2.7	50,113	50,051	+10.2	43,900	6,151	3,550	583,542	+13.2	542,271	41,171	20,554
Wisconsin.....	34,849	+34.9	24,522	22,671	+35.5	19,310	3,361	2,083	238,985	+35.7	212,204	26,781	15,460
Region VII:													
Alabama.....	38,802	-1.9	27,973	26,818	-6.9	25,278	1,540	262	201,147	-3.9	191,742	9,302	1,396
Florida.....	45,774	-32.1	40,225	41,665	-32.5	36,746	4,919	857	403,384	-30.8	370,235	33,149	5,346
Georgia.....	47,220	-5.5	30,552	31,457	-3.5	30,177	1,280	666	252,150	-4.4	243,490	8,660	5,355
Mississippi.....	20,193	+19.4	15,665	14,510	+9.2	13,923	587	215	122,655	+9.1	118,827	3,815	1,327
South Carolina.....	28,790	-2.2	23,879	19,440	-6.7	18,148	1,292	537	145,150	-5.6	138,649	6,419	2,439
Tennessee.....	61,937	+6	56,418	42,802	-1.4	40,172	2,630	1,666	368,612	-1.2	352,626	15,986	9,293
Region VIII:													
Iowa.....	14,663	-1.7	9,841	9,084	-7.7	8,047	1,037	254	77,931	-8.2	72,586	5,320	1,146
Minnesota.....	35,022	+9.1	28,588	26,942	+8.0	23,555	3,387	2,153	299,958	+10.7	272,272	27,686	17,068
Nebraska.....	8,964	+7.4	6,601	6,171	+8	5,578	593	309	56,194	+3.3	51,847	4,347	2,163
North Dakota.....	2,292	+30.5	1,758	1,538	+28.3	1,318	220	101	14,216	+34.7	12,597	1,619	704
South Dakota.....	2,278	+22.9	1,605	1,537	+6.4	1,463	74	(⁵)	12,686	+8.8	12,244	442	(⁵)
Region IX:													
Arkansas.....	14,367	-13.3	11,546	11,546	-18.3	10,997	549	253	80,972	-19.1	77,917	3,055	1,318
Kansas.....	20,434	+8.8	16,234	16,042	+9.2	14,319	1,723	646	159,632	+8.8	147,324	12,308	4,194
Missouri.....	73,281	+8.4	53,201	48,486	+4.0	39,131	9,355	8,722	459,306	+11.3	410,309	48,931	43,334
Oklahoma.....	22,024	+4.1	18,631	16,704	+4.1	14,926	1,778	140	183,733	+6.9	170,178	13,555	823
Region X:													
Louisiana.....	75,851	-10.5	58,833	52,383	-13.8	48,740	3,643	1,595	524,124	-13.4	495,030	28,530	11,809
New Mexico.....	4,940	+2.2	4,391	3,793	-3.7	3,535	258	80	35,400	-1.5	33,424	1,976	590
Texas.....	70,569	-8	59,328	34,950	-18.8	30,959	3,991	293	276,902	-17.2	255,304	21,570	1,052
Region XI:													
Arizona.....	7,024	+1.1	6,119	6,103	+3.5	5,805	298	4	70,152	+5.4	67,473	2,679	37
Colorado.....	11,310	-1.8	8,907	8,175	+1.2	7,490	685	293	80,587	+8	75,252	5,317	2,161
Idaho.....	5,448	+56.0	3,854	3,199	+7.2	3,001	198	11	36,068	+32.0	34,293	1,755	121
Montana.....	10,876	+25.1	7,846	6,710	+11.0	6,710	(⁵)	(⁵)	71,950	+13.0	71,950	(⁵)	(⁵)
Utah.....	12,017	+3.6	10,979	10,941	+8	10,132	809	172	138,593	+1.0	130,819	7,774	1,163
Wyoming.....	2,562	+44.0	1,682	1,648	+51.6	1,458	190	43	21,623	+50.3	19,898	1,725	247
Region XII:													
California.....	280,201	+5.4	234,794	219,551	+1.4	183,170	36,381	21,007	3,042,826	+4	2,691,435	348,553	191,751
Nevada.....	3,750	+19.8	3,215	2,453	+6.6	2,270	183	63	31,888	+7.6	30,146	1,742	565
Oregon.....	14,931	+40.9	11,049	9,817	+48.4	7,976	1,841	908	121,666	+49.9	106,095	15,423	7,782
Washington.....	31,072	+39.6	19,740	19,617	+30.5	16,304	3,313	1,800	244,003	+29.4	213,018	31,585	18,076
Territories:													
Alaska.....	1,436	+17.5	958	851	+15.5	821	30	0	12,347	+20.3	12,024	323	0
Hawaii.....	1,644	-53.2	1,518	1,438	-45.2	1,090	348	333	11,421	-30.7	10,234	1,187	1,049

¹ Waiting-period claims are represented by difference between total number and number of compensable claims.

² Benefits for partial and part-total unemployment are not provided by State law in Montana, New York, and Pennsylvania.

³ Not adjusted for returned and voided benefit checks.

⁴ Includes supplemental payments, not classified by type of unemployment.

⁵ Data for partial unemployment included with data for part-total unemployment.

35 percent in North Dakota, and 32 percent in Idaho. Slackening operations in the women's shoe industry largely accounted for the increases in Maine and New Hampshire. Seasonal reductions in the novelty industry in New Hampshire were a contributing factor.

Benefit disbursements were higher than in November 1940 in 10 States—Florida, Indiana, Kansas, Louisiana, Michigan, Mississippi, New Jersey, North Carolina, Utah, and Wisconsin. The increase in New Jersey was 54 percent, while in 5 of the other States disbursements were 20–23 percent higher than in November of the previous year.

Claims received.—With a substantial increase in receipts of continued claims for all types of unemployment during the last week of November, the weekly average for the month rose 13 percent from October to 631,000 (table 8). The increase of 72,700 in claims received in the last week was due largely to the carry-over of operations interrupted by the November 20 Thanksgiving holiday in 34 States.

Although the total number of continued claims was 1.9 percent above the total for October (table 7), it was smaller than in any other month since January 1938. Waiting-period claims increased 3.3 percent from October, but claims for compensable weeks of unemployment rose only 1.6 percent. Among the 15 States with the largest defense-industry contracts, 10 reported increases in claim receipts, ranging from 2.7 percent in Indiana to 40 percent in Washington. The remaining defense-industry States and 14 others reported declines in claim receipts.

Average number of claimants.—The steady decline in the average weekly number of benefit recipients was reversed this month. The number of claimants receiving benefits, although 9.4 percent greater in November than in October (table 9), was still the smallest for any month since 1939 except October 1941. All but nine States participated in the increase. Benefit recipients were at least half again as numerous as in October in Maine, New Hampshire, Oregon, Wisconsin, and Wyoming.

Status of funds.—Collections deposited in State clearing accounts in 1941 through November totaled \$995.9 million, \$154.5 million more than deposits for the first 11 months of 1940. With the deposit of \$119.6 million in November, col-

lections received in the first 2 months of the fourth quarter of 1941, based on pay rolls for the third

Table 8.—Continued claims received for all types of unemployment,¹ by State, for weeks ended in November 1941

(Data reported by State agencies, corrected to Dec. 20, 1941; amounts in thousands)

Social Security Board region and State	Weekly average		Number for week ended—				
	Number	Percentage change from October ²	Nov. 1	Nov. 8	Nov. 15	Nov. 22	Nov. 29
Type of unemployment:							
All types.....	630.6	+13.4	583.7	616.4	627.5	626.6	699.3
Total only.....	559.7	+13.0	519.8	546.8	556.9	554.7	619.9
Partial and part-total ³	70.9	+17.0	63.9	69.6	70.6	71.9	79.4
All types							
Region I:							
Connecticut.....	7.0	+22.7	6.4	6.8	7.0	6.9	7.8
Maine.....	5.0	+48.9	4.3	4.8	4.9	5.1	5.6
Massachusetts.....	35.2	+14.4	33.4	34.4	38.0	35.8	34.8
New Hampshire.....	4.5	+55.5	3.5	4.4	4.6	5.1	5.9
Rhode Island.....	6.2	+6.1	5.8	6.3	6.8	4.3	7.7
Vermont.....	.6	+24.8	.6	.6	.6	.7	.7
Region II:							
New York ³	107.0	+20.5	96.4	103.0	107.7	110.4	117.7
Region III:							
Delaware.....	1.0	+2.4	1.0	1.0	1.1	1.1	1.0
New Jersey.....	39.3	+18.4	36.8	37.3	39.0	40.6	42.9
Pennsylvania ³	39.7	+5.1	40.9	38.3	38.6	41.3	39.3
Region IV:							
Dist. of Col.....	3.1	+8.7	3.1	3.1	3.1	3.1	3.2
Maryland.....	7.3	—3	7.7	7.4	6.8	7.1	7.3
North Carolina.....	12.5	+3.9	11.9	12.0	11.7	12.3	14.7
Virginia.....	5.6	+4.6	5.3	4.3	6.5	5.4	6.6
West Virginia.....	4.4	+1.0	4.7	4.2	4.4	4.5	4.4
Region V:							
Kentucky.....	3.4	+23.1	2.8	3.1	3.9	2.8	4.5
Michigan.....	25.0	+3.6	25.1	24.4	24.4	22.6	28.6
Ohio.....	26.9	+22.5	22.7	25.9	26.3	25.1	34.3
Region VI:							
Illinois.....	39.6	+14.0	36.1	38.6	39.6	38.6	45.3
Indiana.....	14.8	+28.0	15.0	13.8	13.7	11.9	19.3
Wisconsin.....	8.3	+52.5	6.9	7.5	8.1	8.9	10.0
Region VII:							
Alabama.....	9.2	+7.7	8.5	8.9	9.0	9.8	10.0
Florida.....	11.7	+24.6	13.4	11.6	12.1	10.3	11.0
Georgia.....	11.5	+12.3	11.0	10.7	11.9	11.7	12.1
Mississippi.....	4.7	+26.9	3.8	4.2	4.7	5.0	5.8
South Carolina.....	7.0	+9.5	6.8	6.6	6.3	7.2	7.8
Tennessee.....	15.2	+21.1	15.9	15.8	14.9	14.8	14.8
Region VIII:							
Iowa.....	3.5	+5.6	3.3	3.5	3.6	3.5	3.7
Minnesota.....	8.5	+24.4	7.5	8.0	8.3	7.8	11.0
Nebraska.....	2.2	+20.0	2.0	2.1	2.2	2.3	2.2
North Dakota.....	.6	+47.0	.5	.4	.5	.6	.7
South Dakota.....	.5	+27.9	.4	.5	.5	.6	.7
Region IX:							
Arkansas.....	3.5	+8.6	3.3	3.5	3.4	3.9	3.5
Kansas.....	4.9	+23.4	4.6	4.9	5.0	5.2	4.8
Missouri.....	17.5	+19.6	14.3	18.5	17.7	17.6	19.4
Oklahoma.....	5.3	+16.5	4.8	5.6	5.3	5.4	5.5
Region X:							
Louisiana.....	18.2	+3.2	14.9	20.8	18.1	16.5	20.5
New Mexico.....	1.2	+11.8	1.1	1.2	1.2	1.2	1.3
Texas.....	16.9	+7.3	15.9	16.7	17.2	17.4	17.5
Region XI:							
Arizona.....	1.7	+10.5	1.6	1.7	1.6	1.7	1.7
Colorado.....	2.7	+5.9	2.4	2.7	2.8	2.6	2.9
Idaho.....	1.2	+62.6	.8	1.0	1.2	1.4	1.8
Montana ³	2.2	+24.4	.5	2.3	2.4	2.8	2.9
Utah.....	2.9	+18.6	2.8	2.9	3.0	3.0	3.1
Wyoming.....	.6	+53.8	.4	.6	.6	.6	.8
Region XII:							
California.....	68.3	+19.4	62.4	68.6	65.8	67.0	78.0
Nevada.....	.9	+23.7	.8	.9	.8	.9	.9
Oregon.....	3.5	+61.3	2.9	3.1	3.4	3.8	4.3
Washington.....	7.2	+53.9	5.6	7.0	6.6	7.7	9.3
Territories:							
Alaska.....	.4	+65.3	.4	.4	.2	.4	.5
Hawaii.....	.5	+43.9	.7	.5	.4	.3	.4

¹ Includes claims for total, partial, and part-total unemployment.

² Based on unrounded data.

³ Montana, New York, and Pennsylvania do not provide benefits for partial and part-total unemployment.

quarter, totaled \$267.9 million—\$7.1 million more than the amount received in the entire preceding

Table 9.—Average weekly number of claimants receiving benefits, number receiving first payments, and number exhausting benefit rights, by State, November 1941

[Data reported by State agencies, corrected to Dec. 10, 1941]

Social Security Board region and State	Claimants receiving benefits ¹		Claimants receiving first payments		Claimants exhausting benefit rights	
	Average weekly number	Percentage change from October	Number	Percentage change from October	Number	Percentage change from October
Total.....	470,412	+9.4	195,852	+5.4	85,093	+13.8
Region I:						
Connecticut.....	4,990	+18.8	2,873	+1.6	760	+10.3
Maine.....	3,997	+56.2	2,293	+32.4	339	+21.5
Massachusetts.....	27,862	+13.0	11,388	+13.4	3,911	+27.2
New Hampshire.....	3,007	+71.8	1,580	+43.0	249	+9.8
Rhode Island.....	5,420	+4.2	2,708	+3.5	1,531	+18.6
Vermont.....	435	+20.2	195	+2.1	63	+14.9
Region II:						
New York.....	78,842	+14.6	29,306	+8.8	17,900	+11.0
Region III:						
Delaware.....	921	+3.0	439	+17.8	144	+23.0
New Jersey.....	28,936	+16.1	14,317	+7	5,553	+5.6
Pennsylvania.....	23,820	+10.4	12,202	+2.0	6,412	+22.1
Region IV:						
Dist. of Col.....	2,429	+5.2	895	+20.8	330	+9.3
Maryland.....	6,256	+3.7	2,165	+8.8	1,476	+22.1
North Carolina.....	10,355	+3.3	3,905	+10.3	1,742	+15.1
Virginia.....	4,510	(²)	1,781	+12.9	900	+9.9
West Virginia.....	4,099	+1.0	1,492	+44.0	518	+15.4
Region V:						
Kentucky.....	5,562	+17.9	2,906	+82.6	889	+20.1
Michigan.....	20,614	+8.9	8,566	+27.3	2,965	+1.6
Ohio.....	17,815	+37.2	8,121	+19.6	1,820	+26.7
Region VI:						
Illinois.....	34,580	+11.7	16,795	+15.4	5,490	+15.5
Indiana.....	12,316	+38.8	(³)		(³)	
Wisconsin.....	5,353	+57.1	(³)		(³)	
Region VII:						
Alabama.....	6,525	+1.8	2,424	+22.9	989	+3.7
Florida.....	10,345	+28.3	3,395	+24.9	3,113	+44.5
Georgia.....	7,527	+3.1	3,290	+7.8	1,338	+6
Mississippi.....	3,397	+15.4	1,687	+35.6	647	+2
South Carolina.....	4,808	+9.6	2,217	+11.1	935	+96.0
Tennessee.....	10,197	+5.7	4,811	+22.9	1,997	+10.1
Region VIII:						
Iowa.....	2,275	+5.7	1,016	+15.0	490	+30.4
Minnesota.....	6,525	+22.2	2,724	+17.0	1,243	+8.8
Nebraska.....	1,528	+17.0	685	+3.9	263	+5.2
North Dakota.....	351	+32.0	153	+37.8	54	+17.4
South Dakota.....	368	+12.2	198	+40.4	90	+13.5
Region IX:						
Arkansas.....	2,858	+13.7	1,542	+22.3	871	+29.5
Kansas.....	3,871	+25.8	2,191	+14.4	629	+13.4
Missouri.....	11,064	+16.0	4,843	+20.6	2,066	+10.4
Oklahoma.....	3,981	+10.2	2,137	+11.6	697	+6.4
Region X:						
Louisiana.....	12,615	+8.4	5,397	+14.5	3,023	+42.2
New Mexico.....	930	+8.6	418	+20.1	138	+20.2
Texas.....	8,632	+11.2	4,297	+13.6	2,518	+18.0
Region XI:						
Arizona.....	1,446	+10.7	751	+3	464	+60.0
Colorado.....	1,992	+13.2	767	+8.8	393	+21.2
Idaho.....	762	+34.9	404	+53.0	163	+6
Montana.....	1,342	+9.6	744	+31.7	361	+42.1
Utah.....	2,641	+13.9	688	+15.8	0	0
Wyoming.....	378	+60.8	291	+98.0	98	+36.1
Region XII:						
California.....	53,497	+13.6	20,495	+29.9	7,828	+6.2
Nevada.....	572	+10.0	237	+33.9	91	+21.6
Oregon.....	2,154	+52.1	1,286	+60.0	748	+60.2
Washington.....	4,523	+43.7	2,520	+34.4	673	+14.1
Territories:						
Alaska.....	203	+42.0	154	+77.0	48	+160.7
Hawaii.....	386	+31.1	163	+67.6	34	+82.8

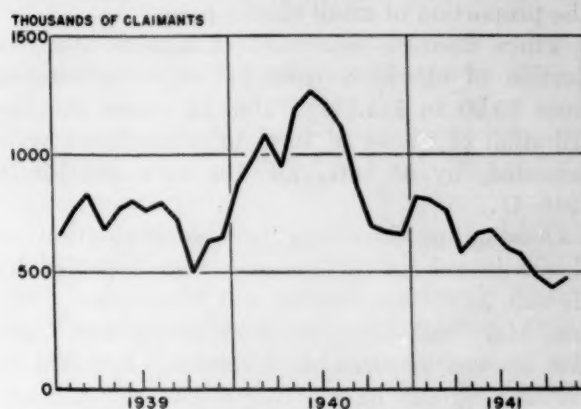
¹ Represents average number of weeks of unemployment compensated during weeks ended within month.

² Excludes Indiana and Wisconsin, for which data are not comparable.

³ Represents claimants exhausting benefit rights under uniform-duration provisions of State law.

⁴ Increase of less than 0.05 percent.

Chart 5.—Average weekly number of claimants drawing benefits, by month, January 1939–November 1941



¹ Benefits not payable in Illinois and Montana until July 1939

quarter. At the end of November 1941, funds available for unemployment benefits totaled \$2.5 billion.

For the 45 States reporting comparable data, only three—Minnesota, Nebraska, and South Dakota—had lower collections in the first 11 months of 1941 than in January–November 1940. In Minnesota, where collections decreased 9.1 percent, reductions in tax rates were granted to employers early this year. In Nebraska and South Dakota collections were approximately 25 percent lower. The average contribution rates in these two States under experience rating, which has been effective since January 1940, were lower in 1941 than in 1940.

Size of Benefit Payment for Total Unemployment, Third Quarter, 1941

In the third quarter of 1941, benefit checks for total unemployment showed that an increasing proportion was paid in amounts of \$15 or more. This group accounted for more than 31 percent of the total in July–September (table 12), a new all-time high. Higher base-period earnings resulting from increased industrial activity and liberalization of the benefit formula in some States caused the increase. Regular seasonal lay-offs in the relatively high-wage automobile industry contributed to the increase in the number of payments in the highest bracket.

The proportion of checks paid in amounts of less than \$5 fell to a new low during July–September. Only 2.4 percent of all benefits were paid in these amounts. The raising of minimum bene-

fit amounts in several States as well as higher base-period earnings contributed to the decline in the proportion of small checks paid.

There were no significant changes in the proportion of checks written for amounts ranging from \$5.00 to \$14.99. Table 11 shows the distribution of weeks of total unemployment compensated, by \$5 intervals, for each quarter in 1940-41.

Outstanding increases in the proportion of checks issued for \$10 or more were reported by Hawaii, Michigan, Oregon, and Wisconsin. Indiana, Maryland, Missouri, New Jersey, and Utah also showed appreciable increases. Lay-offs of workers engaged in relatively high-wage military construction work have undoubtedly had some effect in raising the size of payments in Hawaii.

Table 11.—Percent of all weeks of total unemployment compensated in specified amounts, by quarter, January 1940–September 1941

Year and quarter	Percent of all weeks of total unemployment compensated in amounts of—			
	Less than \$5.00	\$5.00–9.99	\$10.00–14.99	\$15.00 or more
1940				
January–March.....	4.9	37.6	29.1	28.4
April–June.....	4.9	40.0	29.8	25.3
July–September.....	4.8	39.8	28.1	27.3
October–December.....	4.0	37.9	30.0	28.1
1941				
January–March.....	3.6	36.0	30.6	29.8
April–June.....	3.0	36.9	31.3	28.8
July–September.....	2.4	36.9	29.5	31.2

In Michigan, thousands of automobile workers are ordinarily laid off in July to allow for retooling,

Table 10.—Collections deposited in State clearing accounts, January–November 1941, and funds available for benefits as of November 30, 1941, by State

[Data reported by State agencies, corrected to Dec. 22, 1941; amounts in thousands]

Social Security Board region and State	Collections deposited ¹ January–November 1941		Transfers to railroad unemployment insurance account, as of Nov. 30, 1941	Funds available for benefits ² as of Nov. 30, 1941	Social Security Board region and State	Collections deposited ¹ January–November 1941		Transfers to railroad unemployment insurance account, as of Nov. 30, 1941	Funds available for benefits ² as of Nov. 30, 1941
	Amount	Percentage change from January–November 1940				Amount	Percentage change from January–November 1940		
Total.....	\$995,880	+10.4	\$105,901	\$2,526,370	Region VII—Continued.				
Region I:					South Carolina.....	6,244	+36.0	691	16,467
Connecticut.....	23,169	+21.8	792	64,183	Tennessee.....	10,856	+28.7	1,527	20,975
Maine.....	4,989	+23.6	255	7,703	Region VIII:				
Massachusetts.....	45,819	+20.0	2,313	109,340	Iowa.....	8,599	+13.8	2,122	23,162
New Hampshire.....	3,021	+15.1	238	8,190	Minnesota.....	10,944	–9.1	2,517	28,520
Rhode Island.....	13,248	+35.2	152	21,860	Nebraska.....	2,037	–24.7	1,682	10,355
Vermont.....	1,717	(³)	327	4,574	North Dakota.....	770	(³)	577	2,435
Region II:					South Dakota.....	784	–26.9	403	3,585
New York.....	145,002	+15.0	6,858	291,676	Region IX:				
Region III:					Arkansas.....	3,852	+17.1	1,088	8,423
Delaware.....	2,775	+16.5	461	9,401	Kansas.....	4,690	+1.3	2,725	17,183
New Jersey.....	61,453	+26.9	4,269	181,636	Missouri.....	23,205	+18.5	4,871	77,774
Pennsylvania.....	96,242	+16.3	6,699	209,081	Oklahoma.....	6,637	+8.1	1,001	21,964
Region IV:					Region X:				
Dist. of Col.....	6,421	(³)	790	24,586	Louisiana.....	9,907	(³)	1,180	21,289
Maryland.....	16,589	+32.3	1,195	33,714	New Mexico.....	1,581	+13.5	515	3,381
North Carolina.....	11,979	(³)	1,103	33,770	Texas.....	15,539	(³)	4,227	66,186
Virginia.....	9,940	+3.3	2,454	26,905	Region XI:				
West Virginia.....	9,912	+4.7	1,002	26,511	Arizona.....	2,447	+18.7	338	4,860
Region V:					Colorado.....	5,140	+11.4	1,528	13,209
Kentucky.....	12,439	+17.0	2,752	40,264	Idaho.....	2,220	+14.1	373	3,588
Michigan.....	67,335	+33.0	1,932	125,306	Montana.....	2,941	+8.7	1,186	6,046
Ohio.....	72,528	+24.9	8,535	226,519	Utah.....	3,084	+13.2	517	5,833
Region VI:					Wyoming.....	1,301	+12.7	602	2,829
Illinois.....	79,899	+15.5	13,841	248,061	Region XII:				
Indiana.....	26,546	+24.6	3,190	66,397	California.....	91,418	+20.8	7,804	203,268
Wisconsin.....	10,932	+7.7	1,964	66,636	Nevada.....	1,085	+16.3	357	1,527
Region VII:					Oregon.....	8,370	+26.9	590	16,398
Alabama.....	11,003	+14.1		25,705	Washington.....	13,870	+29.0	1,675	31,702
Florida.....	8,108	+28.1	1,509	15,303	Territories:				
Georgia.....	10,582	+24.3	2,439	31,521	Alaska.....	925	+60.0	13	1,843
Mississippi.....	3,480	+37.3	642	6,045	Hawaii.....	2,286	+23.3	80	8,881

¹ Represents contributions from employers, plus such penalties and interest as are available for benefits, and contributions from employees. Adjusted for refunds of contributions and for dishonored contribution checks. Current contribution rates are as follows: for employers, 2.7 percent of taxable wages in all States except Michigan, where rate is 3 percent; for employees, 1.5 percent of taxable wages in Rhode Island, and 1 percent in Alabama, California, Kentucky, and New Jersey. Experience rating, resulting in modified contribution rates, became effective Jan. 1, 1938, in Wisconsin; Jan. 1, 1940, in Indiana, Nebraska, and South Dakota; Jan. 1, 1941, in California, Kansas, Kentucky, Minnesota, New Hampshire, Texas, Vermont, Virginia, and West Virginia; Apr. 1, 1941, in Alabama, Connecticut, and

Hawaii; and July 1, 1941, in Oregon. All States collect contributions on a quarterly basis, either wholly or in part, except West Virginia and Wisconsin, which collect on a monthly basis.

² Represents sum of balances at end of month in State clearing account and benefit-payment account, and in State unemployment trust fund account maintained in the U. S. Treasury. State unemployment trust fund accounts reflect transfers to railroad unemployment insurance account.

³ Excludes District of Columbia, Louisiana, North Carolina, North Dakota, Texas, and Vermont. See footnote 4.

⁴ Not computed, because contributions for the 2 periods compared relate to wages paid during different numbers of months.

but this year lay-offs were initiated before the introduction of new models, because it was not known how drastic curtailment orders would be.

Material shortages, notably of aluminum, resulted in the release of many higher-paid workers in Wisconsin. Maryland, Oregon, and Utah each

Table 12.—Percentage distribution of number of weeks of total unemployment compensated by amount of benefit payment, and proportion at minimum and maximum benefit payable, by State, July–September 1941.

[Data reported by State agencies, corrected to Nov. 21, 1941]

Social Security Board region and State	Total number of weeks compensated	Percent of weeks compensated ¹ in amounts of—				Minimum weekly benefit		Maximum weekly benefit	
		Less than \$5.00	\$5.00–9.99	\$10.00–14.99	\$15.00 or more	Amount	Percent of total weeks compensated	Amount	Percent of total weeks compensated
Total.....	6,695,013	2.4	36.9	29.5	31.2				
Region I:									
Connecticut.....	46,172		48.8	32.0	19.2	² \$6.00	3.2	³ \$20.00	6.9
Maine.....	28,318	.1	79.7	15.0	5.2	² 5.00	27.5	15.00	5.2
Massachusetts.....	400,043		45.9	29.7	24.4	6.00	15.5	15.00	24.4
New Hampshire.....	18,026		64.6	29.9	5.5	6.00	28.0	15.00	5.5
Rhode Island.....	73,065		37.0	40.3	22.7	6.00	.3	16.00	19.2
Vermont.....	4,346	1.1	72.5	17.1	9.3	² 5.00	8.8	15.00	9.3
Region II:									
New York.....	1,480,265		35.8	34.0	30.2	7.00	18.1	15.00	30.2
Region III:									
Delaware.....	7,589		53.1	25.2	21.7	5.00	11.7	15.00	21.7
New Jersey.....	292,923		25.0	34.9	40.1	² 7.00	8.2	18.00	25.1
Pennsylvania.....	387,359		48.8	29.7	21.5	7.50	29.2	15.00	21.5
Region IV:									
District of Columbia.....	32,589	.1	27.3	41.1	31.5	² 6.00	6.5	18.00	19.9
Maryland.....	109,681		28.2	36.7	35.1	² 7.00	10.6	17.00	27.4
North Carolina.....	140,280	20.7	67.4	9.7	2.2	² 3.00	³ 6.6	15.00	2.2
Virginia.....	91,221	11.9	60.1	19.4	8.6	3.00	4.8	15.00	8.6
West Virginia.....	64,022	(⁴)	52.1	33.2	14.7	² 6.00	³ 16.5	15.00	14.7
Region V:									
Kentucky.....	78,450	17.9	61.7	17.5	2.9	² 4.00	5.7	⁵ 15.00	2.9
Michigan.....	410,042		14.5	18.0	67.5	(⁴)	⁵ 5.1	16.00	63.0
Ohio.....	195,787	6.1	48.3	27.4	18.2	None		15.00	18.2
Region VI:									
Illinois.....	438,366		16.0	36.8	47.2	7.00	4.6	16.00	41.0
Indiana.....	98,552	.5	24.6	32.6	42.3	3.00	.1	² 16.00	25.4
Wisconsin.....	54,137		25.4	19.2	55.4	6.00	7.4	⁷ 15.00	54.6
Region VII:									
Alabama.....	98,710	19.5	60.2	13.2	7.1	² 2.00	3.9	15.00	7.1
Florida.....	197,772	1.4	50.6	29.6	18.4	² 5.00	³ 8.3	15.00	18.4
Georgia.....	98,234	12.4	64.0	12.6	11.0	² 4.00	³ 12.0	18.00	4.8
Mississippi.....	45,903	14.5	55.6	15.3	14.6	² 3.00	6.5	15.00	14.6
South Carolina.....	54,214	13.5	67.8	10.1	8.6	² 4.00	10.4	15.00	8.6
Tennessee.....	139,774	1.9	71.2	17.9	9.0	² 5.00	10.5	15.00	9.0
Region VIII:									
Iowa.....	36,788	1.2	54.4	27.9	16.5	None		15.00	16.5
Minnesota.....	73,376		44.9	31.3	23.8	² 7.00	8.8	² 16.00	1.3
Nebraska.....	15,652		58.7	28.1	13.2	5.00	14.5	15.00	13.2
North Dakota.....	4,772		55.8	29.1	15.1	5.00	10.5	15.00	15.1
South Dakota.....	6,291	7.5	77.1	10.4	5.0	² 7.00	53.0	15.00	5.0
Region IX:									
Arkansas.....	73,952	26.5	52.0	16.1	5.4	3.00	15.1	15.00	5.4
Kansas.....	37,091	(⁴)	46.2	33.1	20.7	² 5.00	12.1	15.00	20.7
Missouri.....	119,701	5.7	45.2	24.1	25.0	² 3.00	² 2.5	18.00	12.0
Oklahoma.....	43,484	2.2	45.5	26.6	25.7	² 6.00	² 7.6	16.00	10.2
Region X:									
Louisiana.....	208,654	6.9	53.4	15.2	24.5	3.00	3.7	18.00	18.5
New Mexico.....	14,200	14.2	48.5	22.6	14.7	3.00	4.6	15.00	14.7
Texas.....	130,227		68.4	17.6	14.0	² 5.00	20.0	⁵ 15.00	14.0
Region XI:									
Arizona.....	17,634	(⁴)	36.6	27.4	36.0	² 5.00	² 4.5	15.00	36.0
Colorado.....	33,125		43.1	34.5	22.4	5.00	5.0	15.00	22.4
Idaho.....	11,317		55.4	34.3	10.3	5.00	5.1	18.00	2.0
Montana.....	26,368		43.1	29.1	27.8	5.00	7.7	15.00	27.8
Utah.....	23,646		25.3	34.1	40.6	5.00	2.8	² 20.00	18.1
Wyoming.....	4,232		32.3	25.8	41.9	5.00	2.7	18.00	29.8
Region XII:									
California.....	609,582			44.7	55.3	10.00	15.7	18.00	37.1
Nevada.....	7,379		9.2	28.0	62.8	5.00	.6	15.00	62.8
Oregon.....	24,204		.1	39.9	60.0	² 10.00	13.6	15.00	60.0
Washington.....	44,383		20.2	29.0	50.8	7.00	6.7	15.00	50.8
Territories:									
Alaska.....	3,224		3.3	30.9	65.8	5.00	.5	16.00	61.6
Hawaii.....	2,191		58.1	15.4	26.5	5.00	32.5	20.00	8.0

¹ Excludes final payments for less than benefit rate.

² Recent amendments to State law have changed minimum and/or maximum weekly benefit payable. During transition period, payments are made under both provisions of law. Figure shown is minimum and/or maximum as provided in amended law, and percentage shown relates to payments at that minimum and/or maximum only.

³ Percentage of payments within the dollar interval including the minimum.

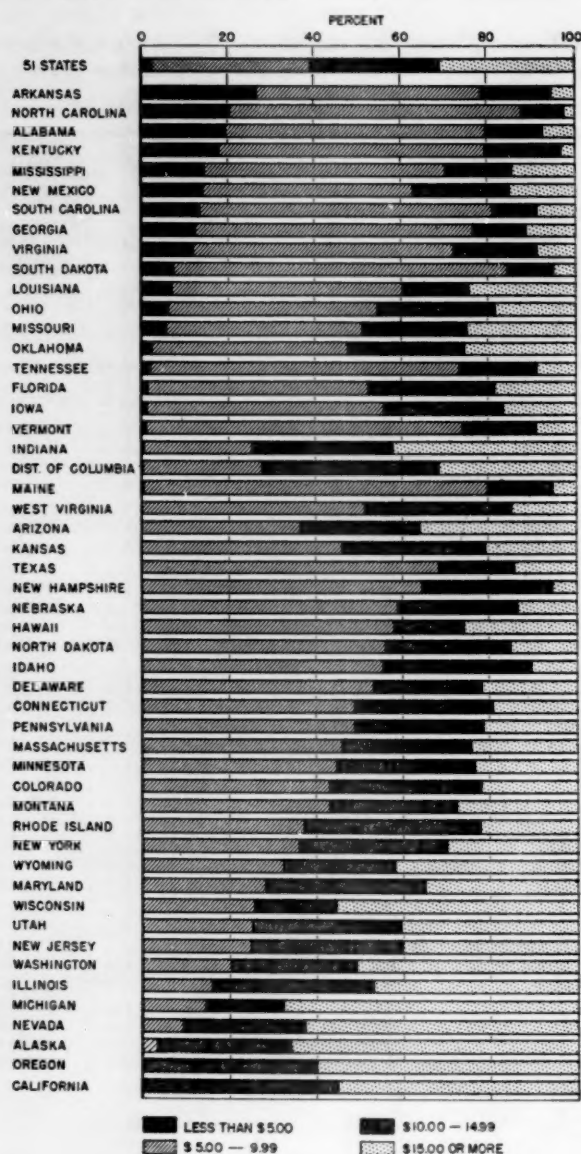
⁴ Less than 0.05 percent.

⁵ For each benefit period of 14 consecutive days, Kentucky pays minimum of \$8 and maximum of \$30, and Texas pays minimum of \$10 and maximum of \$30.

⁶ State law provides 2 minimums, \$6 and \$7. Percentage is based on weeks compensated at \$7 minimum, since 97 percent of minimum payments were made at that amount.

⁷ Under provisions of law, it is possible for some payments to exceed maximum.

Chart 6.—Distribution of weeks compensated for total unemployment by amount of benefit check, by State, July–September 1941



raised the fraction used in calculating weekly benefit rates during the second quarter. Oregon, in addition, raised its minimum weekly benefit amount from \$7 to \$10, effective July 1, 1941; but payments under the previous minimum were being made to a few claimants whose benefit determinations had been made prior to that date.

The only States which showed marked increases over April–June 1941 in the proportion of payments at less than \$10 were Vermont, Pennsylvania, Florida, and Idaho.

Despite the fact that, for the country as a whole, 39 percent of all payments were below \$10, in 26 States more than half the payments were less than this amount. States making large proportions of low benefit payments were concentrated in the Southeast and Gulf, and North Central areas, where prevailing wage rates were lower than in other parts of the country. Those States in which weekly benefit amounts are calculated on the basis of total annual earnings fall in the group of States making low benefit payments. Kentucky, Maine, North Carolina, South Dakota, and West Virginia belong in this category.

Outstanding decreases from July–September 1940 in the proportion of benefit payments of less than \$10 were noted in the District of Columbia, Maryland, Mississippi, and New Jersey.

Twenty-four States issued payments of less than \$5, but in only 14 States was the legal minimum benefit amount less than \$5.² In 9 States the proportion of payments at less than \$5 was greater in the third quarter than in the second, but in the remaining 15 States the proportion declined. Declines were sharpest in South Dakota, where only 7.5 percent of all payments in July–September were below \$5, as opposed to 34 percent in the preceding quarter. South Dakota recently raised its minimum payment from \$3 to \$7. In North Carolina the proportion dropped from 42 to 21 percent between these 2 quarters, primarily as a result of a liberalization of weekly benefit-amount provisions. The proportion of payments under \$5 was sharply below the same period a year ago in the District of Columbia, Louisiana, Maine, Mississippi, North Carolina, South Dakota, and West Virginia, largely because of adoption of minimum rates of \$5 or more.

As in previous quarters, payments at the minimum rate accounted for only a small proportion of all checks issued for total unemployment. In many States stringent eligibility requirements disqualify most of those who would receive low payments under a more lenient requirement. Moreover, statutory minimum amounts are so low in several States that most payments are made above the minimum. Thus, of the 12 States with minimums specified at less than \$5, only Arkansas,

² Ten States have raised their legal minimums so that only claimants whose determinations had been made prior to the effective dates were still receiving benefit checks of less than \$5. These States are Arizona, District of Columbia, Florida, Kansas, Maine, Oklahoma, South Dakota, Tennessee, Vermont, and West Virginia.

Georgia, and South Carolina compensated more than 10 percent of all weeks of total unemployment at the minimum rate. Hawaii, Maine, New Hampshire, and Texas were the only States among the 27 with minimums of \$5 or \$6 which compensated a fifth or more of their weeks of total unemployment at the minimum rate. Wage levels and the formula for computing weekly payments in many of the States with relatively high minimum weekly benefit amounts are such that the proportion of claimants entitled to the minimum is not large. Thus, New York, with a \$7 minimum, compensated 18 percent of the weeks of total unemployment at the minimum. California and Oregon compensated 16 and 14 percent, respectively, of their weeks of total unemployment at the \$10 minimum rate. On the other hand, restrictive benefit formulas or low wage levels, or both, caused the proportion of claimants entitled to the minimum to be high in some States with relatively high minimums. Thus, South Dakota compensated 53 percent at the \$7 statutory minimum, and Pennsylvania issued 29 percent of its payments at the minimum of \$7.50.

Increases over April-June in the proportion of payments issued at \$15 or more were noted in 32 States. The outstanding rise from 29 to 68 percent occurred in Michigan. Other States showing pronounced rises were Hawaii, Indiana, Maryland, Missouri, Oregon, and Wisconsin. On the other hand, marked declines from the

previous quarter in the relative number of higher benefit payments were noted in Alaska, Florida, and Idaho, primarily as a result of seasonal factors.

In comparison with the corresponding quarter of 1940, much higher proportions of payments at \$15 and over were made in Hawaii, Louisiana, Maryland, Mississippi, New Jersey, Oregon, and Utah. Earnings in all these States had increased as a result of defense contracts for construction, aircraft, or shipbuilding; most of these States had also liberalized their benefit formulas.

In some of the 19 States with maximum weekly benefit amounts above the prevailing \$15 level, a substantial proportion of all claimants were entitled to the relatively high maximum payment. For example, 63 percent of all payments were for the \$16 maximum in Michigan. Other States, in which workers becoming unemployed in July-September have had high prior earnings, reported substantial proportions of payments at maximums above \$15. On the other hand, there is evidence that in some States with high statutory maximum payments, this ostensibly liberal provision is practically a dead letter. Thus, only 2.0 percent of all Idaho and 4.8 percent of the Georgia payments were at the \$18 maximum level prevailing in those States. Both low wage levels and restrictive benefit formulas have contributed to the small proportion of claimants entitled to the maximum in these States.

Railroad Unemployment Insurance*

Regional offices of the Railroad Retirement Board received 10,635 applications for certificate of benefit rights and 35,040 unemployment insurance claims in the 4 weeks ended November 28 (table 1). The average of 2,659 applications per week was more than double the average of 1,194 received in October. Weekly receipts of claims in November also averaged some 1,400 above the preceding month. These increases are related to the seasonal drop in maintenance-of-way employment. This drop normally assumes large proportions in November and extends over the following 3 or 4 months. According to the Interstate Commerce Commission, employment in maintenance of way and structures on class I railroads declined more than 18,000 from the middle of October to the middle of November; at the same time employment in other departments of service showed little change.

The increase in claims filed by furloughed maintenance-of-way men can be clearly traced by reference to claims certified for benefit. Of the total certifications for class I railroad employees applying to registration periods begun between October 21 and November 17, nearly 35 percent were for maintenance-of-way and structures laborers; for registration periods begun between July 1 and October 20 this group remained at a level of 22-24 percent of the total.

*Prepared by the Bureau of Research and Information Service, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Although no analysis of applications by occupation is available, the effect of maintenance-of-way unemployment is also obvious here. Nearly 50 percent of the applications on which certificates of benefit rights were issued in the 4 November weeks were submitted by employees with base-year wages of \$150-474; for the period July-October only 36 percent of the applicants had base-year wages of less than \$475. On the other hand, certificates issued to applicants with base-year wages of \$1,000 or more accounted for less than 16 percent of the total in November and for nearly 33 percent in July-October. These shifts were undoubtedly caused by the addition of a relatively large number of track laborers to the applicant group. Maintenance-of-way laborers tend to have lower annual compensation than any other large group of railroad employees; not only are their wage rates relatively low but seasonal factors reduce their annual amount of employment.

The November increase in applications and claims was much smaller this year than last, when the rise in the weekly average of applications was 4,800, and that for claims about 3,700. The figures for November 1940 are undoubtedly inflated by the change in the provisions of the act which became effective during that month. It is clear, nevertheless, that the difference between the figures for the 2 years is due in part also to the smaller decline this year in maintenance-of-way employment, which in 1940 dropped more than

Table 1.—Railroad unemployment insurance: Applications for certificate of benefit rights and claims received, and benefit payments certified, by specified period, 1941-42 and 1940-41

Period	1941-42				1940-41			
	Applica- tions	Claims	Benefit payments		Applica- tions	Claims	Benefit payments	
			Number	Amount			Number	Amount
July-November.....	1 43,955	163,130	1 133,776	1 \$2,784,087	1 115,479	493,771	1 299,639	1 \$4,426,446
November.....	10,635	35,040	29,120	609,454	30,488	93,193	45,931	693,975
1st week.....	2,240	8,050	6,869	149,092	10,280	20,050	13,074	194,738
2d week.....	2,287	8,238	6,539	139,698	6,726	19,705	16,461	235,200
3d week.....	2,605	8,217	6,843	141,033	7,600	27,712	4,493	69,204
4th week.....	3,503	10,535	8,869	179,631	5,882	25,726	11,903	194,833
Weekly averages:								
July.....	3,838	6,464	4,683	83,843	8,788	22,950	11,092	159,643
August.....	1,315	7,499	6,175	129,947	4,138	24,240	15,240	222,651
September.....	966	7,220	6,413	140,457	2,809	22,721	16,584	247,928
October.....	1,194	7,378	6,391	138,776	2,813	19,596	14,190	210,388
November.....	2,659	8,760	7,280	152,363	7,622	23,298	11,483	173,494

¹ Includes some applications received in June for benefit year beginning in July.

² Net figures, corrected for underpayments and recovery of overpayments through end of November.

³ Revised.

28,000. It is not certain whether the seasonal reduction in maintenance-of-way forces in 1941 has been merely retarded by unusually mild weather or whether employment in this field will be sustained by the large volume of traffic and revenue. It may be significant that both applications and claims increased sharply in the last November week.

By the end of November, 43,955 applications for certificate of benefit rights based on 1940 wages had been received and 42,622 adjudicated. A total of 42,072 applicants were held qualified for benefits, and 550 were ruled ineligible because their base-year wages were less than \$150.

The number of claims processed in the November period totaled 35,696, but 1,724 of them were adjudicated a second time. Most of the latter were claims originally held invalid; they were reviewed after receipt of the delayed application for employment. Of the total claims processed, 29,120 or 82 percent were certified for benefit payment—about the same proportion as in the 2 preceding months; on 207 claims with exactly 7 days of unemployment, waiting-period credit only was allowed.

Benefits certified in the 4 November weeks amounted to \$609,000, of which \$607,000 represented claims in the current benefit year. The remainder applied to 127 certifications on claims for the first benefit year under the amended act and to 10 claims certified under the provisions of

the original act. The certifications for the current benefit year were made on 5,042 initial claims on which waiting-period credit was also allowed, and on 23,941 claims for subsequent registration periods (table 2). The proportion of initial certifications increased from 13 percent in October to 17 percent in November, and reflected the addition of a relatively large number of claimants who became unemployed for the first time in the benefit year.

The average benefit for initial certifications, with a possible maximum of 7 compensable days, declined in November to \$13.90, because of a marked drop in the average daily benefit rate offset to a considerable extent by an increase in the average number of days of unemployment in the registration period. The changes in both of these averages were probably due to the initial claims filed by maintenance-of-way laborers whose base-year wages, and hence daily benefit rates, are low and whose unemployment tends to be continuous over the registration period. The average benefit for certifications on subsequent claims, with a maximum of 10 compensable days, also declined, to \$22.44, because of a reduction in the average daily benefit rate. Although still small, this decrease foreshadows somewhat larger declines in the coming months, when a greater proportion of maintenance-of-way claimants will be in a position to submit claims for subsequent registration periods.

Table 2.—Railroad unemployment insurance: Number of benefit certifications, average benefit, and average number of compensable days in benefit year 1941-42, by specified period, July-November 1941¹

Type of certification and period	All certifications				Certifications with 14 days of unemployment		Certifications with 8-13 days of unemployment			Certifications with 5-7 days of unemployment		
	Number	Average benefit payment	Average daily benefit	Average number of compensable days	Percent of all certifications	Average daily benefit	Percent of all certifications	Average daily benefit	Average number of compensable days	Percent of all certifications	Average daily benefit	Average number of compensable days
Certifications for first registration period:²												
July 19-Aug. 1.....	8,989	\$15.94	\$2.64	6.03	68.7	\$2.64	31.3	\$2.65	3.90	-----	-----	-----
Aug. 2-29.....	5,877	14.24	2.55	5.57	60.4	2.56	39.6	2.53	3.42	-----	-----	-----
Aug. 30-Sept. 26.....	3,465	14.45	2.58	5.60	58.3	2.57	41.7	2.61	3.64	-----	-----	-----
Sept. 27-Oct. 31.....	4,149	14.48	2.54	5.69	61.9	2.56	38.1	2.51	3.55	-----	-----	-----
Nov. 1-28.....	5,042	13.90	2.35	5.92	67.4	2.34	32.6	2.36	3.70	-----	-----	-----
Certifications for subsequent registration periods:²												
July 19-Aug. 1.....	1,421	22.55	2.44	9.26	80.7	2.45	15.4	2.32	7.10	3.9	\$2.32	2.22
Aug. 2-29.....	18,156	23.36	2.66	8.79	71.8	2.69	22.0	2.53	6.79	6.2	2.50	1.90
Aug. 30-Sept. 26.....	21,671	22.91	2.64	8.66	69.6	2.68	22.9	2.52	6.69	7.5	2.49	2.04
Sept. 27-Oct. 31.....	27,617	22.82	2.64	8.63	67.6	2.68	25.2	2.53	6.81	7.2	2.55	2.01
Nov. 1-28.....	23,941	22.44	2.60	8.63	68.3	2.62	24.5	2.52	6.73	7.2	2.55	2.14

¹ Data based on 33.3-percent sample, except number of certifications and average benefit per certification.

² Benefits are payable for each day of unemployment in excess of 7 for first registration period and in excess of 4 for subsequent registration periods.
³ Revised.

In the 4 November weeks 5,223 benefit accounts were established, a slightly larger number than that of certifications on initial claims. Accounts established, however, do not constitute a net addition to the total of accounts still open for the current benefit year, because by the end of November a few claimants had already received the maximum benefits to which they were entitled for the year. The earliest date when such exhaustion of rights could occur was November 24. In the few days between this date and November 28 the regional offices made 69 final certifications, which terminated the accounts for the year. Current benefit accounts as of the end of the November period totaled 28,201.

Employment Service

During the November period, notifications of 6,829 openings were received, nearly 6,400 of them from railroad employers; during the same period 3,216 previously reported openings were canceled because qualified personnel could not be found. More than 6,300 workers were referred

to available vacancies, and 3,106 were placed. Included in this total are 913 placements made through cooperation with State employment offices and the Division of Reemployment and Training of the Work Projects Administration.

Despite the seasonal reduction in hiring of track laborers, placements made by the employment service increased in November. Of the weekly average of 776 placements in November, about half were maintenance-of-way laborers. In October placements averaged 720 a week, and track laborers accounted for more than three-fourths of the total. The fact that employment service activity continued at a high level in November is due in part to the extension in operations of the New York office. This office reported more than 45 percent of the openings and more than 20 percent of the placements—a result attained through increased emphasis on employment service functions on the part of the field force. A contributing factor was the establishment of a hiring hall in New York, similar to that previously opened in Chicago.

OLD-AGE AND SURVIVORS INSURANCE

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE • ANALYSIS DIVISION

Operations Under the Social Security Act

Monthly Benefits in Force and Payments Certified, November 1941

The continuing growth in the number of all types of benefits in force brought the total at the end of November to 466,000, an increase of 17,000 or 3.7 percent over the number in force at the end of October (table 1). Primary benefits continued to decline as a proportion of all monthly benefits in force and constituted 48.1 percent of the total on November 30, 1941, as compared with 48.4 on October 31, 1941, and 52.3 percent at the end of December 1940.

Benefits in conditional-payment status increased in absolute number during November but, for the first time since February 1941, declined as a proportion of the total number in force.

Suspensions,¹ which comprise nearly three-fourths of the benefits in conditional-payment

status, increased as an absolute number from December 31, 1940, to November 30, 1941. As a percentage of the total in force, they increased during the first 10 months of 1941 but declined slightly in November. Changes in the number of benefits subject to suspension are due primarily to changes in the employment status of the beneficiary or, in the case of wife's or child's benefits, of the primary beneficiary. Suspension actions² resulting from the employment of beneficiaries increased steadily from February through May but declined slightly in June. In July and August they reached a peak which resulted largely from the employment of school children during the summer vacation. Since that time, there has been a month-to-month decline. In comparison with the steadily increasing total number of benefits in current and deferred-payment status, such

¹ Refers to benefits which have previously been in current or deferred-payment status, and are in conditional-payment status as of a given date.

² Refers to transfers from current or deferred-payment status to conditional-payment status during a period of time.

Table 1.—Number and amount of monthly benefits in force in each payment status³ and actions effected during the month, by type of benefit, November 1941

[Current month's data corrected to Dec. 6, 1941]

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of Oct. 31, 1941.....	448,970	\$8,179,053	217,102	\$4,929,565	59,412	\$718,813	113,150	\$1,376,562	13,315	\$269,724	44,204	\$861,167	1,787	\$23,222
Current-payment status.....	400,815	7,241,942	186,394	4,236,175	52,796	640,397	107,545	1,312,204	13,141	265,764	39,163	764,302	1,776	23,100
Deferred-payment status.....	3,460	69,148	2,585	57,228	438	5,150	213	2,251	105	2,446	113	2,002	6	71
Conditional-payment status.....	44,695	867,963	28,123	636,162	6,178	73,266	5,392	62,107	69	1,514	4,928	94,863	5	51
Suspensions ¹	31,615	582,251	19,690	418,990	4,081	45,564	4,377	49,939	43	910	3,419	66,797	5	51
Frozen benefits ⁴	13,080	285,712	8,433	217,172	2,097	27,702	1,015	12,168	26	604	1,509	28,066	0	0
Actions during November 1941:														
Benefits awarded.....	19,688	346,904	8,079	182,622	2,799	33,466	5,528	67,042	868	17,637	2,323	44,981	91	1,156
Entitlements terminated ⁵	2,961	51,206	986	23,082	482	5,783	968	12,283	49	977	466	8,911	10	170
Net adjustments ⁶	-34	1,274	-17	617	-4	8	-11	403	0	4	-2	236	0	6
In force as of Nov. 30, 1941.....	465,663	8,476,025	224,178	5,080,722	61,725	746,504	117,699	1,431,724	14,134	286,388	46,059	897,473	1,868	24,214
Current-payment status.....	416,684	7,522,865	193,113	4,387,995	54,979	666,476	112,112	1,368,207	13,953	282,292	40,670	793,806	1,857	24,089
Deferred-payment status.....	3,362	66,290	2,510	54,845	443	5,058	200	2,055	104	2,457	98	1,791	7	84
Conditional-payment status.....	45,617	886,870	28,555	646,882	6,303	74,970	5,387	61,462	77	1,639	5,291	101,876	4	41
Suspensions ¹	32,363	597,447	20,074	428,191	4,173	46,800	4,371	49,304	50	1,085	3,691	72,076	4	41
Frozen benefits ⁴	13,254	289,423	8,481	218,691	2,130	28,170	1,016	12,158	27	604	1,600	29,800	0	0

¹ Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 6) and terminations (see footnote 5), cumulative from January 1940, when monthly benefits were first payable.

² Benefit in current-payment status is subject to no deduction from current month's benefit or only to deduction of fixed amount which is less than current month's benefit; benefit in deferred-payment status is subject to deduction of fixed amount which equals or exceeds current month's benefit; benefit in conditional-payment status is subject to deduction of entire benefit for current and each subsequent month for indefinite period.

³ Represents benefits which have previously been in current or deferred-payment status.

⁴ Represents benefits which have never been in current or deferred-payment status.

⁵ Terminations may be for following reasons: primary benefit—beneficiary's

death; wife's benefit—beneficiary's death, death of husband, divorce, or entitlement of beneficiary to equal or larger primary benefit; child's benefit—beneficiary's death, marriage, adoption, or attainment of age 18; widow's benefit—beneficiary's death, remarriage, or entitlement to equal or larger primary benefit; widow's current benefit—beneficiary's death, remarriage, entitlement to widow's benefit or to equal or larger primary benefit, or termination of entitlement of last entitled child; parent's benefit—beneficiary's death, marriage, or entitlement to other equal or larger monthly benefit.

⁶ Adjustments in amount of monthly benefit may result from entitlement of an additional beneficiary or termination of entitlement of an existing beneficiary when maximum provisions of sec. 203 (a) of the 1939 amendments are effective or from termination of entitlement of an existing beneficiary when minimum provision of sec. 203 (b) consequently becomes effective; adjustments in number or amount may also result from actions not otherwise classified.

suspension actions represent a rate of suspension which showed a less pronounced rise in the early months of 1941 and an even more marked decline in later months than did changes in absolute number. The main reason for the decline in the rate has probably been that the bulk of employable beneficiaries went back to work during the early part of the year while beneficiaries added to the rolls during 1941 have included a diminishing proportion of employable persons.

From the first of the year through October there was a gradual increase in the number of benefits transferred from suspension status back to current or deferred-payment status because the beneficiaries discontinued the employment which had caused the suspension of their benefit payments. Although the number of such reinstatements declined slightly in November, it almost equaled the number of suspension actions in that month due to employment of beneficiaries. Of course, the increasing number of such reinstatements has resulted chiefly from the increased number of benefits in suspension status. Physical incapacity of the beneficiary has probably been the most important cause for recent withdrawals from covered employment, but it is possible that priorities unemployment or increased earnings of other family members have accounted for a significant number of reinstatements during recent months.

From December 31, 1940, to November 30, 1941, there was a slight increase in the number, though a decline in the proportion, of frozen benefits, the other subdivision of benefits in conditional-payment status. In contrast to the rapidly growing number of persons who are eligible for primary benefits but are continuing

Table 2.—Average amount of monthly benefits in force, by type of benefit and payment status, November 30, 1941¹

[Corrected to Dec. 6, 1941]

Type of benefit	Payment status				
	Total in force	Current	Deferred	Conditional	
				Suspensions	Frozen benefits
Primary.....	\$22.70	\$22.72	\$21.85	\$21.33	\$25.79
Wife's.....	12.09	12.12	11.42	11.21	13.23
Child's.....	12.16	12.30	10.28	11.28	11.97
Widow's.....	20.26	20.23	23.62	20.70	22.37
Widow's current.....	19.49	19.52	18.28	19.53	18.62
Parent's.....	12.96	12.97	12.00	10.25	0

¹ See footnotes to table 1.

Table 3.—Monthly benefits and lump-sum death payments certified, by type of payment, November 1941, and cumulative July–November 1941

Type of payment	November				Total amount certified July–November 1941
	Number of beneficiaries ¹	Amount certified	Percentage distribution		
			Beneficiaries	Amount	
Monthly benefits ²	421,715	\$7,962,345	100.0	100.0	\$37,222,514
Primary.....	196,412	4,581,879	46.6	57.5	21,519,501
Supplementary.....	69,309	857,211	16.4	10.8	3,984,627
Wife's.....	55,766	700,768	13.2	8.8	3,257,419
Child's.....	13,543	156,443	3.2	2.0	727,208
Survivor's.....	155,994	2,523,255	37.0	31.7	11,718,386
Widow's.....	13,781	301,827	3.3	3.8	1,352,487
Widow's current.....	41,067	875,135	9.7	11.0	4,106,300
Child's.....	99,316	1,319,438	23.6	16.6	6,133,241
Parent's.....	1,830	26,855	.4	.3	126,458
Lump-sum death payments.....	4,483	1,029,236	-----	-----	5,451,002
Under 1939 amendments ³	7,257	1,020,178	-----	-----	5,395,686
Under 1935 act ³	226	9,058	-----	-----	55,316

¹ Differs from number in current-payment status, which takes account of changes in status effective after certification.

² Distribution by type of benefit partly estimated.

³ Includes retroactive payments.

⁴ Represents number of deceased workers on whose wages payments were based.

⁵ Payable with respect to workers who died after Dec. 31, 1939, in cases in which no survivor could be entitled to monthly benefits for month in which worker died.

⁶ Payable with respect to workers who died prior to Jan. 1, 1940.

in employment, the consistently small number of frozen benefits suggests that, because of expanding employment opportunities since the beginning of 1941, relatively fewer workers have anticipated a possible early decline in their earnings.

The average monthly benefit for each type in current-payment status at the end of November (table 2) was approximately the same as at the end of October. The averages for primary, wife's, and child's benefits in deferred-payment status declined considerably, while those for widow's, widow's current, and parent's benefits rose. On the whole, the averages for frozen benefits and suspensions showed little change.

During November, approximately \$8.0 million was certified for payment to 422,000 individual beneficiaries (table 3). This number represents an increase of 14,000 over the number of beneficiaries for October and corresponds roughly to the increase of 16,000 in the number of benefits in current-payment status.

Employee Accounts Established and Employer Identification Numbers Assigned

The weekly average of employee accounts established during November reached 104,000 (table 4), a decline of 12 percent from October and

the lowest point recorded since March. This number approximates the weekly average for the first quarter of 1941 and is considerably below the averages for the second and third quarters. Minor increases from October to November, however, were noted in Hawaii, Maine, North Dakota, Oklahoma, South Dakota, and Texas.

Employer identification numbers averaged nearly 9,000 weekly during November, a 10-percent gain over the average for the previous month. Increases were recorded for 33 States. In New Jersey the number was almost three times the October figure, and in Colorado, Hawaii, and Kentucky the volume more than doubled. Significant decreases, however, were reported for Alabama, Arizona, Arkansas, Louisiana, Minnesota, Mississippi, and Washington. The drop was most pronounced in Alabama, where the average fell from 149 to 9.

Disposition of Payment Upon Death of Beneficiary

Prior to July 1, 1941, if a check issued to a monthly beneficiary was not cashed before that beneficiary died, the full amount of the check was payable to his estate. If notice of death was received before the check was issued, the benefit was apportioned among the eligible survivors.

The procedure regarding the disposition of these unpaid amounts has been modified so that amounts not paid to a beneficiary during his lifetime will be applied to survivor benefit payments or to lump-sum death payments. That is, a check issued but not cashed prior to death will be treated in the same manner as an amount which was not paid because notice of death was received prior to certification. The unpaid amount is regarded as an underpayment and the amount will be added to any other monthly benefits or lump sums payable with respect to the same wages. If more than one person is entitled to benefits, the amount of the underpayment will be divided among them in the proportion which their respective monthly benefits or their share of the lump sums bear to the total benefits payable for a month or to the total lump-sum death payment. The only exception to this rule is that, if a person is to receive a lump sum because of payment of burial expenses, the total lump-sum payment and underpayment cannot exceed the amount paid for such burial expenses.

Bulletin, January 1942

The method of handling unpaid funds is illustrated by this case:

Mrs. Josephine Harper files a claim in November on behalf of herself and her children, James, aged 12, and Helen, aged 9. Mrs. Harper becomes entitled to a widow's current insurance benefit of \$18^{*}, and each child becomes entitled to a child's insurance benefit of \$12, commencing with November, although the entitlement is not determined by the Board until January 8. Helen Harper dies on January 10, and notice of her death is received by the Board before any check is issued in the case.³ Adjustment is made by adding proportionately to the benefits of the remaining survivors the sum of \$24, representing the deceased child's accrued benefits for November and December—but not for January, since no benefit is payable for the month in which the child died. Of this amount, \$14.40 ($\frac{1}{2}\%$ or $\frac{1}{2}\%$) will be added to the first check payable to Mrs. Harper and \$9.60 ($\frac{1}{2}\%$ or $\frac{1}{2}\%$) will be added to the first check payable on behalf of James Harper.

Chasing Missing Account Numbers

Tracking down missing or incorrect account numbers has been an important activity of the Bureau of Old-Age and Survivors Insurance since nearly the start of the program. No step in the establishment of the program has been more important than the development of a procedure for accurate and rapid association of reported wages with the proper accounts. Particularly in the early years of the program was the matching of incompletely reported items with the records of workers a significant task. Now, after 5 years of operating experience, the Bureau has crystallized a number of techniques for tracing missing identifications.

On items involving wages of less than \$25, the effort and expense of investigation usually outweigh any possible advantages to the employee. For such items, the field office gets in touch with the employer only, and if the employee's account number or address is not obtained, the field office reports its inability to get the information. A similar report is made if the address is obtained and the employee fails to answer within 10 days a mailed request for information. On the other hand, investigation of items involving \$25 and

^{*} If the check were issued but not negotiated and subsequently returned, the method of handling the case would be exactly the same.

more is pursued until all possible leads for obtaining the missing account number have been exhausted.⁴

At the local level, cooperation with other agencies is considered paramount. A successful investigation requires cooperation with the collectors of internal revenue, personal contact with employers, and the exercise of care and ingenuity on the part of the field representative of the Bureau.

It has been recognized and authenticated by tests that the promptness with which collectors of internal revenue forward lists of incomplete items to local offices of the Board is highly important. The longer the time before an investigation is started, the more difficult is the investigation; the employer or employee may have moved, or the employer may have gone out of business.

Of great importance in tracing the account number is personal contact with the employer by the Bureau representative—not only to ascertain

⁴ Administrative procedures for identifying wage items of small amounts were described in the October Bulletin (pp. 70-71), and the November Bulletin (p. 69) summarized the new office procedures for identifying all wage items.

the missing number but also to educate the employer in the necessity of filing complete returns.

When neither employer nor employee can be easily located, the Bureau must conduct an intensive search. The following complex case illustrates the manner in which various sources of information are used:

1. A letter was mailed to the employer, a restaurant owner, requesting the missing account numbers. The letter was returned marked "Not Here" and "No Forwarding Address."

2. A representative of the Bureau visited the last known business address of the employer, where information was obtained that the employer was bankrupt.

3. The trustee in bankruptcy was located through the bankruptcy court.

4. The trustee was visited and an examination made of pay-roll records and canceled pay-roll checks. Some addresses were obtained from the endorsements on the checks. As a result of letters written to the employees at these addresses, some account numbers were obtained.

Table 4.—Weekly average of employee accounts established and employer identification numbers assigned, by State, November 1941¹

Social Security Board region and State	Employee accounts		Employer identification numbers		Social Security Board region and State	Employee accounts		Employer identification numbers	
	Average number	Percentage distribution	Average number	Percentage distribution		Average number	Percentage distribution	Average number	Percentage distribution
Total	103,952	100.0	8,803	100.0	Region VII—Continued				
Region I:					South Carolina	1,600	1.5	52	.6
Connecticut	1,352	1.2	95	1.1	Tennessee	2,731	2.6	155	1.8
Maine	895	.9	76	.9	Region VIII:				
Massachusetts	2,064	2.8	423	4.8	Iowa	1,672	1.6	107	1.2
New Hampshire	408	.4	30	.3	Minnesota	1,842	1.7	128	1.4
Rhode Island	499	.5	45	.5	Nebraska	799	.8	76	.9
Vermont	274	.3	19	.2	North Dakota	455	.4	24	.3
Region II:					South Dakota	374	.4	37	.4
New York	10,787	10.4	1,010	11.5	Region IX:				
Region III:					Arkansas	2,002	1.9	26	.3
Delaware	213	.2	24	.3	Kansas	1,207	1.2	127	1.4
New Jersey	2,802	2.7	475	5.3	Missouri	2,983	2.8	233	2.7
Pennsylvania	7,477	7.2	437	5.0	Oklahoma	1,926	1.9	112	1.3
Region IV:					Region X:				
District of Columbia	849	.8	44	.5	Louisiana	1,976	1.9	16	.2
Maryland	1,378	1.3	91	1.0	New Mexico	370	.4	28	.3
North Carolina	2,716	2.7	149	1.7	Texas	6,166	5.9	592	6.7
Virginia	2,299	2.2	140	1.6	Region XI:				
West Virginia	1,438	1.4	138	1.6	Arizona	353	.4	21	.2
Region V:					Colorado	874	.8	111	1.3
Kentucky	1,876	1.8	143	1.6	Idaho	454	.4	54	.6
Michigan	3,719	3.6	408	4.6	Montana	367	.4	69	.8
Ohio	4,754	4.6	459	5.3	Utah	541	.5	34	.4
Region VI:					Wyoming	174	.2	25	.3
Illinois	5,717	5.5	422	4.7	Region XII:				
Indiana	2,285	2.2	210	2.4	California	6,324	6.1	861	9.8
Wisconsin	1,865	1.8	251	2.9	Nevada	108	.1	21	.2
Region VII:					Oregon	949	.9	138	1.6
Alabama	2,291	2.2	9	.1	Washington	1,278	1.2	132	1.5
Florida	1,994	1.9	258	2.9	Territories:				
Georgia	3,096	3.0	176	2.0	Alaska	34	(²)	11	.1
Mississippi	2,076	2.0	52	.6	Hawaii	369	.4	29	.3

¹ Data on employee accounts established and employer identification numbers assigned, while representing somewhat similar administrative operations, are not necessarily related from an economic viewpoint. Weekly

averages are computed for the 4-week period, Nov. 1-28, 1941.

² Less than 0.05 percent.

5. Additional addresses and account numbers were obtained from the cooks', waiters', and bus-boys' unions.

6. The next contact was with the City Health Department, where a registry of all food handlers was available. A few more addresses were obtained, and letters were written to these employees. Some of this mail was returned by the Post Office, marked "Undeliverable." Remaining items were then checked against the *Voters Registry*, gas and electric listings, telephone directory, and city directory for better addresses.

Some were obtained. As many waitresses are also beauty operators, a check was also made with the Board of Cosmetology.

7. The files of the local State Employment Service office and of the State Unemployment Compensation Commission were checked. The account numbers obtained from these sources were not considered authentic by the field office, however, until verification had been obtained from the account number holders.

As a result of all these procedures 18 of 20 account numbers were obtained.

Operations Under the Railroad Retirement Act*

Net benefit payments certified to the Secretary of the Treasury in November amounted to \$10.6 million (table 1). Increases in employee annuities were offset by decreases in payments in all the other classes of benefits except survivor annuities, so that total payments remained unchanged from the preceding month. Total benefit payments for the first 5 months of the present fiscal year were \$52.5 million, 4.9 percent above those for the corresponding period a year ago.

There were 1,499 new certifications of employee annuities in November, and 581 were terminated by death. After adjustments for suspensions and reinstatements, this excess resulted in an increase of 905 in the number of benefits in force. For the

5 months July–November, certifications were 16 percent below the corresponding months of 1940, but the total number of deaths reported was 9.1 percent larger than a year earlier. The average monthly increase in the 5-month period was 834, as compared with 1,189 in the same period of 1940. The average monthly payment was \$65.81 for all employee annuities in force at the end of November, including those subject to recertification.

Applications for employee annuities received in Washington numbered 1,563 in November—the lowest number received in any month since the enactment of the 1937 act. The general downward trend in applications received during the past year brought the July–November total to 8,653—8.5 percent less than the total for the corresponding period in 1940.

*Prepared by the Bureau of Research and Information Service, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 1.—Railroad retirement: Number and amount of annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of payment, November 1941¹

Period and administrative action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities ²		Lump-sum death benefits	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of Oct. 31, 1941.....	155,360	\$9,898,191	121,798	\$8,011,426	29,954	\$1,766,939	2,886	\$93,814	722	\$26,010	-----	-----
During November 1941:												
Initial certifications.....	1,587	101,286	1,499	98,327	0	—4	29	803	59	2,160	-----	-----
Terminations by death (deduct).....	875	53,805	581	38,643	198	11,878	8	294	88	2,988	-----	-----
In force as of Nov. 30, 1941 ³	156,064	9,950,258	122,703	8,075,495	29,761	1,755,266	2,907	94,326	693	25,170	-----	-----
Retroactive payments.....	-----	430,862	-----	418,577	-----	2,648	-----	1,885	-----	7,751	-----	-----
Lump-sum death benefits.....	982	⁴ 257,376	-----	-----	-----	-----	-----	-----	-----	-----	982	⁴ \$257,376
Cancellations and repayments (deduct).....	-----	53,784	-----	37,429	-----	15,111	-----	248	-----	105	-----	889
Total payments (net).....	-----	10,584,713	-----	8,456,642	-----	1,742,803	-----	95,962	-----	32,816	-----	256,487

¹ For definitions of classes of payments, see the Bulletin, July 1939, p. 7. Data based on month ended on 20th calendar day in which annuity or pension was first certified or terminated upon notice of death, or in which other administrative action was taken by the Board rather than on month in which annuity or pension began to accrue, beneficiary died, or administrative action was effective. In-force payments as of end of month reflect administrative action through the 20th. Correction for claims certified or terminated in error or for incorrect amount is made in data for month in which error was discovered and not in which error was made. Cents omitted.

² In a few cases payments are made to more than 1 survivor on account of death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; nearly all terminations are of latter type.

³ After adjustments for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payments).

⁴ Includes \$278 additional payments on claims initially certified in previous months.

There were 193 fewer pensions in force at the end of November than at the end of October. During July–November, terminations numbered 1,317, or 245 less than in the comparable period last year. The average monthly payment in November was \$58.98.

Survivor annuities in force at the end of the month numbered 2,907, and the average monthly payment was \$32.45. Monthly payments for the 693 death-benefit annuities in force averaged \$36.32.

The 982 lump-sum death benefits certified by the Board in November, brought the total for July–November to 5,490, compared with 5,222 in the corresponding 5 months of last year. The average payment for November certifications was \$261.81.

Distribution of Annuities and Pensions by Amount, June 30, 1941

Annual data on the distribution of annuities and pensions in force, first presented in the December 1940 Bulletin, for the year ended June 30, 1940, are shown in tables 2 and 3 for the fiscal year 1940–41.¹

More than 60 percent of all employee annuities finally certified represented monthly payments amounting to \$60 or more; 41 percent ranged between \$60 and \$90 and 20 percent were for \$90–

¹ On June 30, 1941, 5,350, or 4.5 percent of all employee annuities in force, were subject to recertification.

120. Of annuities of less than \$60 a month, the largest number—15,575—were between \$40 and \$50. This group included 14 percent of all finally certified employee annuities in force on June 30. More than 6,000 of the annuities in this range were minimum annuities of \$40 per month, and they represented more than 90 percent of all the annuities awarded under the minimum-annuity provisions of the 1937 act.² For all types of employee annuities combined, the average monthly payment amounted to \$66.71.

Disability annuities based on 30 years of service averaged \$80.25 per month, a considerably higher average than that for any other type of annuity. Nearly 87 percent of these annuities represented payments of \$60 or more a month. Thirty years of service is the maximum amount creditable for either age or disability annuities. In calculating disability annuities involving 30 years of creditable service, no reduction is made in the annuity for retirement before age 65. Furthermore, individuals with 30 years of service who are less than 65 years of age are likely to be found in occupations characterized by full employment and by relatively high average monthly compensation.

² An individual who is an employee under the act at age 65 and has at least 20 years of service can receive a minimum annuity as follows: if his average monthly compensation is \$50 or more, he will receive at least \$40 per month; if his average compensation is \$25–50, he will receive 80 percent of his average monthly compensation; if his average compensation is \$20–25, he will receive \$20; and if his average compensation is less than \$20, he will receive the full amount of his average compensation.

Table 2.—Railroad retirement: Distribution of finally certified employee annuities in force as of June 30, 1941, by monthly amount of actual annuity and by type of annuity

Monthly amount of actual annuity ¹	All employee annuities		Age annuities beginning—				Disability annuities based on—			
			At age 65 and over		Before age 65		30 years of service		Less than 30 years of service	
	Number	Percentage distribution	Number	Percentage distribution	Number	Percentage distribution	Number	Percentage distribution	Number	Percentage distribution
Total.....	113, 183	100. 0	86, 506	100. 0	5, 669	100. 0	15, 813	100. 0	5, 195	100. 0
Under \$10.00.....	619	. 5	502	. 6	15	. 3	1	(²)	101	1. 9
10.00–19.99.....	3, 927	3. 5	3, 037	3. 5	56	1. 0	7	(²)	827	15. 9
20.00–29.99.....	6, 793	6. 0	5, 275	6. 1	165	2. 9	89	. 6	1, 264	24. 3
30.00–39.99.....	6, 726	5. 9	4, 921	5. 7	281	5. 0	316	2. 0	1, 208	23. 3
40.00–49.99.....	15, 575	13. 8	13, 276	15. 2	710	12. 5	686	4. 3	903	17. 4
50.00–59.99.....	10, 508	9. 3	7, 846	9. 1	1, 124	19. 9	974	6. 2	564	10. 9
60.00–69.99.....	14, 862	13. 1	11, 325	13. 1	1, 176	20. 8	2, 151	13. 6	210	4. 0
70.00–79.99.....	16, 924	14. 9	12, 336	14. 3	980	17. 3	3, 520	22. 3	88	1. 7
80.00–89.99.....	14, 226	12. 6	10, 185	11. 8	568	10. 0	3, 448	21. 8	25	. 5
90.00–99.99.....	9, 622	8. 5	7, 083	8. 2	337	5. 9	2, 198	13. 9	4	. 1
100.00–109.99.....	7, 687	6. 8	5, 980	6. 9	199	3. 5	1, 507	9. 5	1	(²)
110.00–119.99.....	4, 478	4. 0	3, 631	4. 2	58	1. 0	780	5. 0	0	0
120.00.....	1, 236	1. 1	1, 109	1. 3	0	0	127	. 8	0	0
Average actual annuity.....	\$66.71		\$66.28		\$64.54		\$80.25		\$34.96	

¹ Represents amount payable to annuitants after deductions for retirement before age 65 and for the election of joint and survivor options.

² Less than 0.05 percent.

Table 3.—Railroad retirement: Distribution of pensions and survivor and death-benefit annuities in force as of June 30, 1941, by monthly amount payable

Monthly amount	Pensions		Survivor annuities		Death-benefit annuities	
	Number	Percentage distribution	Number	Percentage distribution	Number	Percentage distribution
Total.....	31,080	100.0	2,771	100.0	710	100.0
Under \$10.00.....	38	.1	136	4.9	13	1.8
10.00-19.99.....	1,076	3.5	543	19.6	86	12.1
20.00-29.99.....	4,769	15.3	697	25.1	124	17.5
30.00-39.99.....	4,243	13.7	600	21.7	187	26.3
40.00-49.99.....	3,955	12.7	380	13.7	185	26.1
50.00-59.99.....	3,744	12.0	236	8.5	104	14.6
60.00-69.99.....	3,207	10.3	99	3.6	11	1.6
70.00-79.99.....	2,598	8.4	53	1.9		
80.00-89.99.....	1,833	5.9	24	.9		
90.00-99.99.....	1,575	5.1	3	.1		
100.00-109.99.....	1,303	4.2				
110.00-119.99.....	891	2.9				
120.00.....	1,848	5.9				
Average.....	\$58.91		\$32.50		\$35.97	

The next highest amounts were for age annuities beginning at age 65 and over, which averaged \$66.28 per month. The normal annuity of this class is reducible only by a joint and survivor election. Age annuities for workers who retired before age 65 averaged \$64.54 per month. This type of annuity is most likely to be granted to applicants who have had at least 30 years of service and were in occupations with relatively high average monthly compensation. This reduction for retirement before age 65 has a marked effect on the annuity paid.

Disability annuities based on less than 30 years of service showed the lowest average—\$34.96 per month. More than 65 percent of these annuities were for less than \$40 a month. These lower annuities result from the reduction made on account of retirement before age 65, the lower

average monthly compensation received by many of the employees in this group, and the shortened period of credited service.

Nearly 43 percent of the pensions paid under the retirement act to former carrier pensioners were for \$60 or more a month (table 3); 13 percent amounted to \$100 or more. The average for all pensions in force on June 30, 1941, was \$58.91, as compared with \$58.66 a year earlier. Pensions paid under the railroad retirement system are equal to the individual pensions granted by employers prior to December 31, 1930. That is, they do not take into account any cuts or reductions which may have been in effect during any part of the period between January 1, 1931, and July 1, 1937. Such pensions may not exceed \$120 per month, nor may pensioners elect survivor options.

Survivor annuities, payable to a surviving spouse on the basis of a joint and survivor election, showed the greatest concentration in the \$20-30 range. About 25 percent of all survivor annuities fell in this group, and nearly three-fourths of the total were concentrated in the \$10-40 range (table 3). The average survivor annuity in force at the end of June was \$32.50. These annuities may equal the amount the annuitant received in his lifetime, 75 percent of that amount, or 50 percent, according to the type of option elected.

The average death-benefit annuity was \$35.97. About 52 percent of these annuities were between \$30 and \$50 per month. Death-benefit annuities are payable under the 1935 act to a surviving spouse or dependent next of kin for 12 months after the death of the annuitant, and amount to one-half the annuity before reduction, if any, for a joint and survivor election.

SOCIAL AND ECONOMIC DATA

BUREAU OF RESEARCH AND STATISTICS

Social Security and Other Income Payments to Individuals

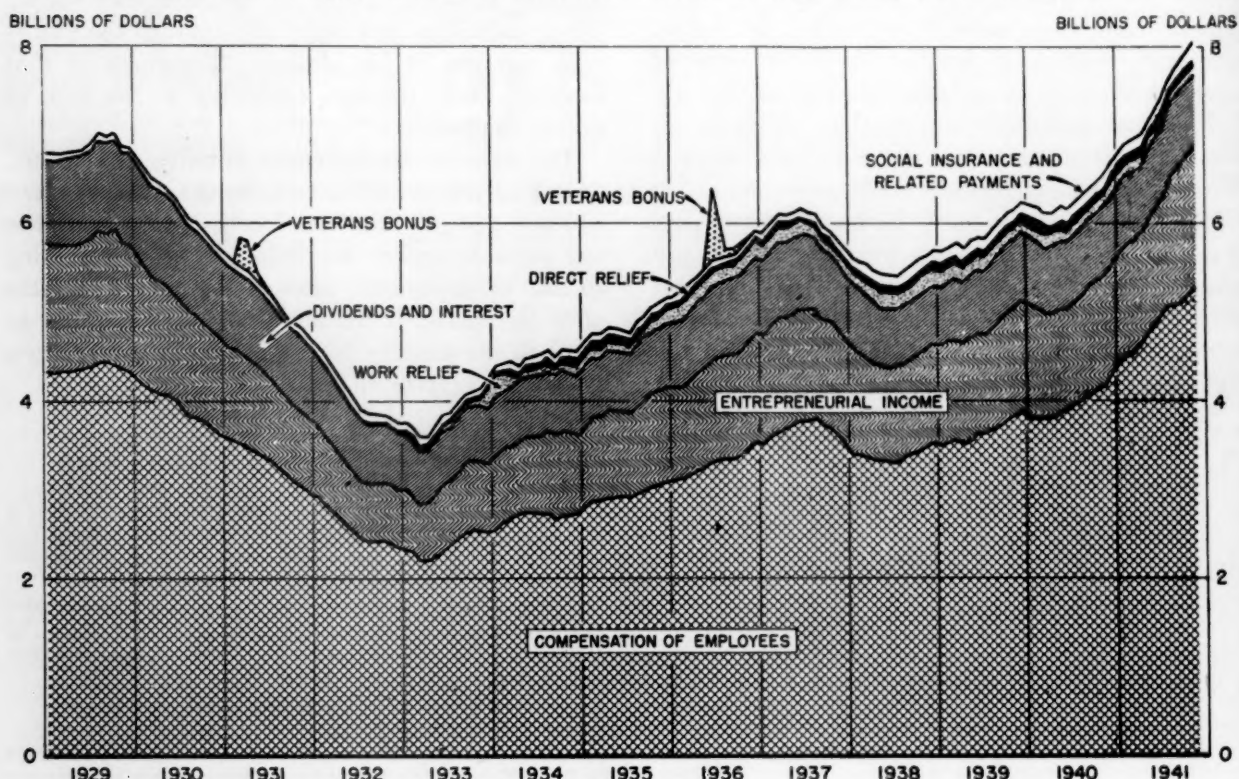
Income payments to individuals during November totaled \$8.0 billion—which represented an increase of 1.6 percent over the preceding month and of 23 percent over November 1940 (table 1). From June 1940, which marked the inauguration of the defense program, to November 1941, total income payments for each successive month were higher than in the previous month. Beginning with April 1941, income payments each month were higher than for any previous month recorded in the income-payment series, which covers the period from January 1929 to date.

The largest gains in income payments, both absolutely and relatively, have occurred in entrepreneurial income and in compensation of employees, which show increases of 49 and 33 percent, respectively, for November 1941 as compared with June 1940. Over the same period, dividends and

interest payments increased 9 percent, direct relief remained relatively stable, while work relief and social insurance payments declined 36 and 13 percent, respectively.

The classification of income payments into these broad categories tends, however, to conceal differences in the degree or even the direction of change in the various items which are combined in any one category. For example, the increases in compensation of employees have not been distributed evenly among workers in different industries or in different geographic areas. Figures reported to the Bureau of Labor Statistics show that in October 1941 the average weekly wage in the durable-goods industries (including civilian durable goods) had increased 21 percent over October 1940, but that in the nondurable-goods industries the increase was only 16 percent.

Chart 1.—Income payments in the continental United States, January 1929–November 1941



Reports to the Bureau of Labor Statistics and to the Bureau of Employment Security indicate decreases in employment in many industries manufacturing civilian durable-goods items, as well as in certain clothing-goods industries, and in construction and logging activities. While employment and pay rolls have increased considerably in industries engaged in defense work, these increases have been offset to some extent by decreases occurring in other industries not closely connected with the defense program. It is evident that the extent to which all groups of employees will share in the increases in income brought about through defense activities depends on how quickly and to what extent employees in nondefense industries can be absorbed in defense work.

Much the same conditions exist with regard to business profits. According to data compiled by the Federal Reserve Board, for the first 9 months of 1941, as compared with the same period of 1940, substantial increases in profits were recorded for several groups of industries engaged in the production of military equipment and supplies. Profits advanced 44 percent for the industrial machinery and accessory companies and 39 percent for the iron and steel group. The durable-goods group as

a whole showed an increase in profits amounting to 40 percent, as compared with only 19 percent for the nondurable-goods group. Industries such as advertising, industrial chemicals, textiles, and foods showed only small increases in profits.

The location of important defense industries in certain areas has increased employment and pay rolls at a considerably higher rate in these areas than in areas with no defense projects where actual decreases may have occurred. It is probable that the increased activity in defense operations during the coming months and curtailments in nondefense production will cause a still more uneven spread of any increases in the compensation of employees.

Total direct relief payments have shown little change over the period June 1940–November 1941, except for the usual seasonal increase in the winter of 1940–41. However, general relief payments have decreased considerably, while the three special types of public assistance—old-age assistance, aid to dependent children, and aid to the blind—have increased enough to make total direct relief payments appear fairly stable.

Total payments for social insurance and related programs show a decrease over the period from June 1940 to November 1941, caused entirely by

Table 1.—Income payments in the continental United States, by specified period, 1936–41¹

[In millions; data corrected to Jan. 10, 1942]

Year and month ²	Total	Compensation of employees ³	Entrepreneurial income, net rents, and royalties	Dividends and interest	Work relief ⁴	Direct relief ⁵	Social insurance and related payments ⁶	Veterans' bonus
Calendar year:								
1936.....	\$68,115	\$39,772	\$13,533	\$9,700	\$2,155	\$672	\$856	\$1,427
1937.....	72,213	44,344	14,586	9,762	1,639	837	917	128
1938.....	66,584	40,832	13,139	8,026	2,094	1,008	1,428	57
1939.....	71,016	44,067	13,831	8,648	1,870	1,070	1,496	34
1940.....	75,706	47,847	14,384	9,085	1,577	1,096	1,689	28
1940								
November.....	6,533	4,178	1,245	768	121	90	129	2
December.....	6,681	4,305	1,258	763	128	93	132	2
1941								
January.....	6,821	4,421	1,263	765	131	96	143	2
February.....	6,917	4,545	1,244	768	125	96	138	1
March.....	6,978	4,590	1,254	771	126	98	138	1
April.....	7,030	4,636	1,260	775	121	96	132	1
May.....	7,216	4,795	1,298	777	116	93	136	1
June.....	7,375	4,943	1,314	785	104	93	135	1
July.....	7,454	5,002	1,344	795	86	90	136	1
August.....	7,656	5,070	1,482	800	80	90	133	1
September.....	7,790	5,089	1,597	804	79	89	131	1
October.....	7,891	5,155	1,622	812	81	90	130	1
November.....	8,016	5,221	1,675	820	79	89	131	1

¹ Compensation of employees, entrepreneurial income, net rents, and royalties, and dividends and interest adjusted for seasonal variation.

² For annual and monthly figures 1929–40, see the Bulletin, August 1941, table 1, pp. 74–76.

³ Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions.

⁴ Earnings of persons employed by the CCC, NYA, and WPA. Excludes earnings of persons employed on other Federal agency projects financed from emergency funds; such earnings are included in the column "Compensation of employees."

⁵ Payments to recipients under the 3 Federal assistance programs and general relief, and the value of surplus-food stamps issued by the Surplus Marketing Administration under the food stamp plan.

⁶ Represents payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions, workmen's compensation, State unemployment compensation, and railroad unemployment insurance.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

the large decline in unemployment compensation payments. Benefit payments under the various retirement programs, discussed in more detail later in this section, increased over the same period, while expanded industrial activity is estimated to have caused increases in workmen's compensation payments.

It is evident that, while total income payments to individuals are increasing, all groups are not sharing in the increases in the same proportion and that for some groups there may have been definite decreases in income. This situation is particularly true of employees in the industries in which production has been curtailed through priority orders. For individuals with fixed incomes, increasing costs of living have resulted in decreased real income.

Social Insurance and Related Payments

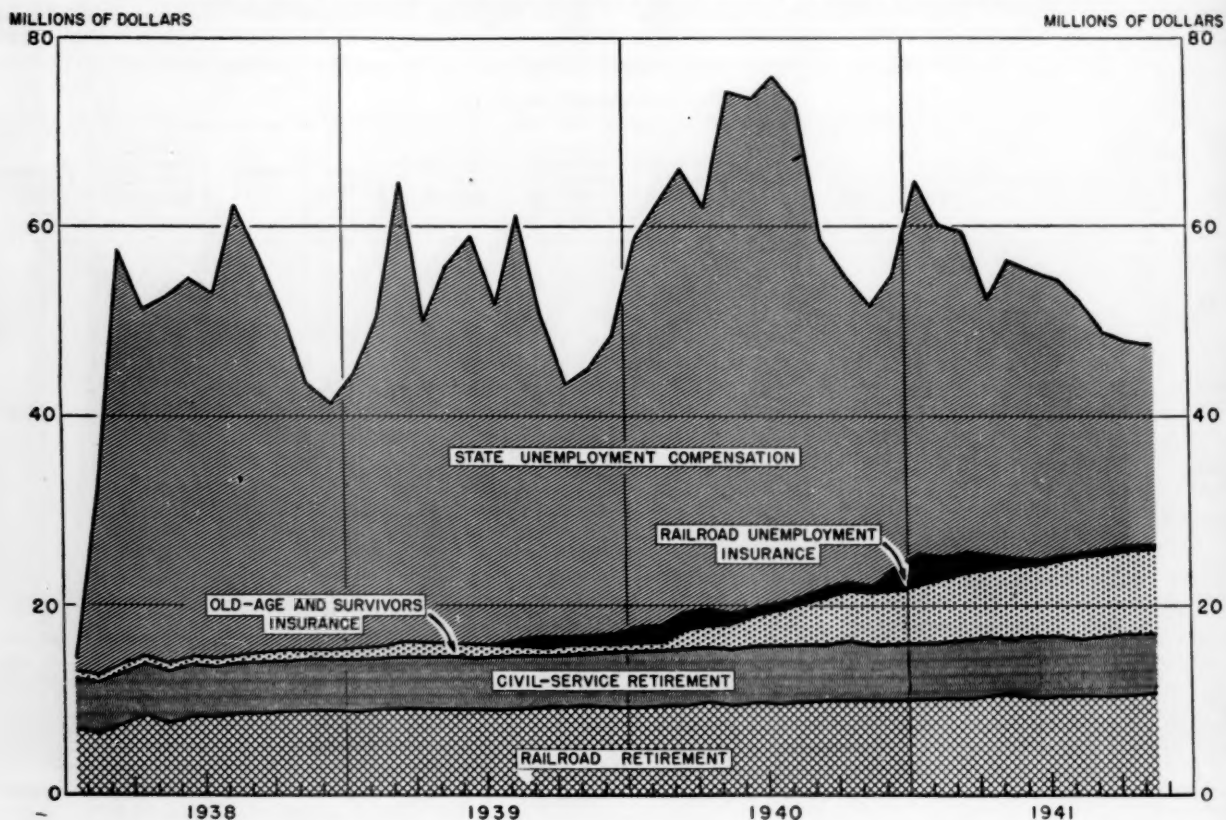
Reported monthly data are available for programs which in November 1941 accounted for 36 percent of all social insurance and related payments estimated by the Department of Com-

merce. These detailed data, presented in tables 2 and 3, include the amount of payments and the number of beneficiaries under the Social Security Act, the Railroad Retirement Act, the Railroad Unemployment Insurance Act, the State unemployment compensation laws, and the retirement systems administered by the Civil Service Commission.

For the sixth successive month, total payments under these programs showed a decrease (table 2), and again the decline was due entirely to further reductions in payments under the unemployment insurance program. Payments under State unemployment compensation laws for November, \$21.1 million, were the lowest on record—29 percent less than payments in November 1940 and 61 percent less than the figure for June 1940.

It is expected that there will be an upward turn in these figures during the next few months caused by seasonal reductions in employment in certain industries and shortages of materials in others. The number of initial claims received increased during November in 22 States, while in-

Chart 2.—Payments under selected social insurance and retirement programs, January 1938–November 1941



creases in benefits paid occurred in 30 States. Decreases during November in other States, however, more than offset these increases. The number of individuals receiving unemployment compensation under State laws increased 9.3 percent from October but was 30 percent less than the number receiving payments in November 1940. Payments under the Railroad Unemployment Insurance Act also decreased—3.5 percent from the preceding month and 21 percent from November 1940. The number of individuals receiving payments under this program increased 4 percent from the preceding month but was still 34 percent below that for November 1940.

It will be noted from table 2 that the trend of payments under the unemployment insurance programs is in the opposite direction from the trend of payments under retirement and survivor programs. Whereas payments under the unemployment insurance programs in November were the lowest on record, the payments under the retirement and survivor programs were the highest. Payments under the retirement programs, particularly old-age and survivors insurance, are still increasing rapidly as additional workers reach retirement age and attain insured status each month. Even under the older retirement programs, additions to the pension rolls continue to

Table 2.—Payments under selected social insurance and retirement programs, by specified period, 1936-41¹

[In thousands]

Year and month	Total	Retirement and survivor payments									Refunds under the Civil Service Commission to employees leaving service ¹	Unemployment insurance payments			
		Total	Monthly retirement payments ²			Survivor payments						Total	State unemployment compensation laws ³	Railroad Unemployment Insurance Act ⁴	
			Social Security Act ²	Railroad Retirement Act ⁴	Civil Service Commission ²	Monthly payments		Lump-sum payments							
						Social Security Act ²	Railroad Retirement Act ⁴	Social Security Act ²	Railroad Retirement Act ⁴	Civil Service Commission ²					
Calendar year:															
1936.....	\$59,372	\$56,377	-----	\$683	\$51,630	-----	\$2	-----	-----	\$4,062	\$2,864	\$131	\$131	-----	-----
1937.....	105,429	99,818	-----	40,001	53,694	-----	444	\$1,278	-----	4,401	3,479	2,132	2,132	-----	-----
1938.....	569,367	169,640	-----	96,749	56,118	-----	1,400	10,478	\$291	4,604	3,326	396,401	396,401	-----	-----
1939.....	626,270	187,837	-----	107,282	58,331	-----	1,451	13,895	1,926	4,932	2,846	435,587	429,820	\$5,767	-----
1940.....	705,809	226,533	\$21,242	114,167	62,019	\$7,617	1,448	11,734	2,496	5,810	3,277	535,999	520,110	15,889	-----
1941 (11 months).....	599,300	263,730	49,996	109,723	59,413	22,250	1,426	12,195	3,059	5,668	4,156	331,414	317,805	13,609	-----
1940															
November.....	51,633	20,968	3,066	9,738	5,262	1,196	124	939	178	465	332	30,333	29,561	772	-----
December.....	54,875	21,296	3,304	9,695	5,288	1,280	124	982	206	417	286	33,293	30,887	2,406	-----
1941															
January.....	64,840	21,929	3,603	9,739	5,312	1,393	120	1,063	221	478	266	42,645	39,270	3,375	-----
February.....	59,859	22,532	3,757	9,899	5,307	1,602	124	1,225	187	431	259	37,068	34,611	2,457	-----
March.....	59,371	23,194	4,030	9,792	5,360	1,762	125	1,241	226	658	324	35,853	33,608	2,245	-----
April.....	52,344	23,595	4,185	9,960	5,392	1,828	130	1,111	411	578	301	28,448	26,998	1,450	-----
May.....	56,486	23,680	4,386	10,003	5,401	1,928	133	1,080	367	382	384	32,422	31,574	848	-----
June.....	55,330	23,950	4,530	9,973	5,387	2,020	135	1,026	242	637	373	31,007	30,530	477	-----
July.....	54,451	24,466	4,759	9,964	5,418	2,160	131	1,179	317	538	337	29,648	29,293	355	-----
August.....	52,054	24,537	4,945	9,999	5,406	2,264	133	1,155	278	357	484	27,033	26,483	550	-----
September.....	48,915	24,906	5,073	10,081	5,452	2,326	132	986	251	605	455	23,554	22,942	612	-----
October.....	47,935	25,390	5,289	10,114	5,462	2,444	134	1,100	303	544	484	22,061	21,430	631	-----
November.....	47,715	25,551	5,439	10,199	5,516	2,523	129	1,029	256	460	480	21,675	21,066	609	-----

¹ Payments to individual beneficiaries under programs; data exclude cost of administration. For detailed data, see tables in program sections of the Bulletin.

² Represent old-age retirement benefits under all acts and disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts.

³ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment; represent primary benefits, wife's benefits, and benefits to children of primary beneficiaries. Distribution by type of benefit partly estimated for 1940.

⁴ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment, minus cancellations, during month ended on 20th calendar day. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

⁵ Principally payments under civil-service retirement and disability fund but includes also payments under Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administered by the Civil Service Commission. Lump-sum payments include accrued annuities

to date of death paid to survivors. Data for calendar years 1936-39 estimated on basis of data for fiscal years. For discussion of benefits and beneficiaries under the Civil Service Retirement Act, see the Bulletin, April 1941, pp. 20-42.

⁶ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment; represent widow's benefits, widow's current benefits, parent's benefits, and orphan's benefits. Distribution by type of benefit partly estimated for 1940.

⁷ Amounts certified to the Secretary of the Treasury for payment; represent payments at age 65 for 1937-August 1939, payments with respect to deaths of covered workers prior to Jan. 1, 1940, for entire period, and beginning January 1940 payments with respect to deaths of covered workers after Dec. 31, 1939. Payments at age 65 totaling \$651,000 in 1937, \$4.7 million in 1938, and \$4.6 million in 1939, are not survivor payments.

⁸ Amount of checks issued, reported by State agencies to the Bureau of Employment Security.

⁹ Amounts certified by regional offices of the Railroad Retirement Board to disbursing officers of the Treasury in the same city.

exceed terminations. There is some evidence of the reemployment of retired employees and the postponement of retirement by persons 65 and over, but no data are available to indicate exactly how many older workers are affected by increased opportunities for employment in defense industries.

Monthly retirement payments and beneficiaries receiving such payments under all three retirement programs show increases for November as compared both with the preceding month and with November 1940. The largest increase in payments occurred under the Social Security Act, 2.8 percent over October 1941 and 77 percent over November 1940. Payments under the Railroad Retirement Act and Civil Service Commission retirement programs both showed increases of about 1 percent over October and 5 percent over November 1940.

Monthly payments to survivors of workers insured under the old-age and survivors insurance program of the Social Security Act were \$2.5 million, more than double the payments in November 1940. The number of beneficiaries

receiving these payments in November—156,000—represents an increase of 134 percent over the previous November.

Approximately 646,000 individuals received monthly benefits amounting to \$23.8 million and 9,000 received lump-sum payments amounting to \$1.7 million under the retirement and survivor programs during November. Monthly beneficiaries under the old-age and survivors insurance programs totaled 422,000, and included 196,000 retired workers, the wives of 56,000 of these workers, 13,000 of their children who were under 18, and 150,000 survivors of deceased workers or annuitants. It is estimated that these beneficiaries represent approximately 260,000 different families. No supplementary benefits are provided under the Railroad Retirement Act or the three acts administered by the Civil Service Commission, so the total number of beneficiaries receiving monthly retirement payments under these programs, 225,000 in November, represent also the number of families receiving benefits.

Table 3.—Individuals receiving payments under selected social insurance and retirement programs, by month, November 1940–November 1941

[In thousands]											
Year and month	Retirement and survivor beneficiaries								Separated employees receiving refunds under the Civil Service Commission ⁸	Unemployment insurance beneficiaries	
	Monthly retirement beneficiaries			Survivor beneficiaries						State unemployment compensation laws ¹⁰	Railroad Unemployment Insurance Act ¹¹
	Social Security Act ¹	Railroad Retirement Act ²	Civil Service Commission ³	Monthly beneficiaries		Lump-sum beneficiaries ⁴					
				Social Security Act ⁵	Railroad Retirement Act ⁶	Social Security Act ⁷	Railroad Retirement Act	Civil Service Commission ⁸			
1940											
November	140.7	145.6	65.0	66.7	3.2	7.2	0.9	0.7	1.5	676.1	20.3
December	150.6	146.0	65.2	75.1	3.3	7.3	1.0	.6	1.6	666.6	73.7
1941											
January	164.8	146.4	65.5	83.3	3.3	7.8	1.0	.9	1.7	825.7	77.6
February	175.0	147.3	65.5	92.9	3.3	9.1	.8	.5	1.7	806.4	63.2
March	190.7	147.6	66.1	101.2	3.3	9.1	1.0	.7	1.9	761.7	55.6
April	200.8	148.1	66.3	108.7	3.4	8.2	1.7	.6	2.0	589.6	38.5
May	211.1	148.9	66.8	115.8	3.4	7.9	1.5	.4	2.5	659.0	20.7
June	218.8	149.6	66.9	122.4	3.4	7.4	1.0	.6	2.6	682.9	11.4
July	229.0	150.2	67.1	129.9	3.5	8.6	1.3	.6	2.5	611.1	10.0
August	239.2	150.6	67.5	137.1	3.5	8.5	1.1	.5	3.3	571.9	12.0
September	247.7	151.3	67.5	142.7	3.6	7.2	1.0	.7	3.0	493.4	13.2
October	257.5	151.8	67.8	149.9	3.6	8.0	1.1	.6	3.4	430.0	12.9
November	265.7	152.5	68.4	156.0	3.6	7.5	1.0	.5	4.3	470.4	13.4

¹ Primary beneficiaries and their wives and children, for whom monthly benefits were certified to the Secretary of the Treasury during month. Distribution by type of benefit partly estimated for 1940.

² Employee annuitants and pensioners on roll at end of month; includes disability annuitants.

³ Annuitants under Civil Service, Canal Zone, and Alaska Railroad Retirement Acts; represents age and disability retirements, voluntary and involuntary retirements after 30 years' service, and involuntary separations after not less than 15 years' service. Figures not adjusted for suspension of annuities of persons who have returned to work in the War and Navy Departments under the National Defense Act of June 28, 1940, numbering 490 in November 1941.

⁴ Widows, parents, and orphans for whom monthly benefits were certified to the Secretary of the Treasury during month. Distribution by type of benefit partly estimated for 1940.

⁵ Widows receiving survivor benefits under joint and survivor elections

and next of kin receiving death-benefit annuities for 12 months. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1.

⁶ Number of deceased wage earners with respect to whose wage records payments were made to survivors.

⁷ Represents deceased wage earners whose survivors received payments under either 1935 or 1939 act.

⁸ See footnote 3 for programs covered. Represents employees who died before retirement age and annuitants with unexpended balances whose survivors received payments.

⁹ See footnote 3 for programs covered.

¹⁰ Represents average number of weeks of unemployment compensated in calendar weeks ended within month.

¹¹ Number of individuals receiving benefits during second and third weeks of month for days of unemployment in registration periods of 15 consecutive days through November 1940 and of 14 days thereafter.

Financial and Economic Data

Receipts and Expenditures

Social security tax receipts during November were higher than in any previous month except February 1941, and exceeded by \$3 million the February 1940 collections. Receipts reach their peak each year in February, when unemployment taxes based on pay rolls of the previous calendar year are payable. Despite the large increase in social security receipts, these collections accounted

for only 18 percent of all Federal receipts during October and November as compared with 20 percent for the same months last year. Federal receipts other than social security collections and railroad retirement and unemployment taxes totaled \$550 million in November, 59 percent more than in November 1940 (table 1).

Federal insurance contributions in November reached a record high of \$168.5 million, exceeding

Table 1.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936-41

[In millions]

Period	General and special accounts											Trust ac- counts, etc., ⁷ excess receipts (+) or expendi- tures (-)	Change in gen- eral fund balance	Public debt				
	Receipts of Federal Government				Expenditures ⁴ of Federal Government									Total	Old- age and survi- vors insur- ance trust fund	Unem- ploy- ment trust fund ⁸	Rail- road retire- ment ac- count	All other
	To- tal ¹	Social secu- rity taxes ²	Rail- road retire- ment and unem- ploy- ment taxes ³	All other	To- tal ¹	Under the Social Security Act		Under the Railroad Retire- ment Board		All other								
						Admin- istrative expen- ses and grants to States ⁵	Net appropria- tions and transfers to old-age and sur- vivors in- surance trust fund	Admin- istrative expen- ses ⁶	Trans- fers to rail- road retire- ment ac- count									
Fiscal year:																		
1936-37.....	\$5,294	\$252	(9)	\$5,042	\$8,442	\$183	\$265	\$1		\$7,993	-\$3,149	+\$374	-\$128	\$36,425	\$267	\$312		\$35,846
1937-38.....	6,242	604	\$150	5,488	7,626	291	387	3	\$146	6,799	-1,384	+306	-338	37,165	662	872	\$66	35,565
1938-39.....	5,668	631	109	4,928	9,210	342	503	8	107	8,255	-3,542	+890	+622	40,440	1,177	1,267	67	37,929
1939-40.....	5,925	712	126	5,087	9,537	379	539	8	121	8,490	-3,612	+137	-947	42,968	1,738	1,710	79	39,441
1940-41.....	8,269	788	144	7,337	13,372	447	661	7	124	12,133	-5,103	-148	+742	48,961	2,381	2,273	74	44,233
5 months ended:																		
November 1939.....	2,175	313	34	1,828	3,868	166	220	3	67	3,412	-1,693	+154	-673	41,305	1,392	1,512	77	38,324
November 1940.....	2,495	344	39	2,112	4,279	209	310	3	76	3,681	-1,785	+406	-74	44,273	1,866	1,934	85	40,388
November 1941.....	3,364	441	46	2,877	9,352	231	411	4	78	8,628	-5,988	-404	-314	55,040	2,536	2,706	102	49,696
1940																		
November.....	485	133	5	347	940	37	123	1	20	759	-455	+216	-103	44,273	1,866	1,934	85	40,388
December.....	741	4	31	706	1,173	19	1	(9)		1,153	-432	-209	+111	45,025	2,016	1,945	85	40,979
1941																		
January.....	372	46	1	325	1,142	53	32	(9)	10	1,047	-771	+15	+97	45,877	2,006	1,974	88	41,812
February.....	674	188	5	481	1,208	30	132	1	20	1,025	-534	-3	-324	46,090	2,002	2,087	85	41,916
March.....	1,567	4	31	1,532	1,400	36	(9)	1	10	1,353	+167	-236	+1,014	47,173	2,161	2,077	85	42,850
April.....	602	42	1	559	1,352	49	37	1	8	1,257	-750	+402	-290	47,231	2,151	2,117	85	42,878
May.....	541	157	8	376	1,288	35	147	1		1,105	-747	-264	-521	47,721	2,146	2,254	84	43,237
June.....	1,277	4	28	1,245	1,530	17	1	1		1,511	-252	-259	+729	48,961	2,381	2,273	74	44,233
July.....	456	47	1	408	1,640	60	43	1	46	1,490	-1,185	+599	-34	49,513	2,371	2,333	108	44,701
August.....	554	167	6	381	1,687	43	157	1		1,486	-1,133	-2	+274	50,921	2,361	2,479	102	45,979
September.....	1,135	4	33	1,099	1,875	33	1	1		1,840	-730	-293	-607	51,346	2,556	2,479	91	46,220
October.....	489	48	1	440	2,126	56	43	1	32	1,994	-1,637	-225	+376	53,584	2,546	2,538	112	48,388
November.....	730	175	5	550	2,024	40	166	1		1,817	-1,294	-484	-322	55,040	2,536	2,706	102	49,696

¹ Beginning July 1940, appropriations to old-age and survivors insurance trust fund minus reimbursements to the Treasury for administrative expenses are excluded from net receipts and expenditures of general and special accounts of the Treasury. These net appropriations are included here in both total receipts and expenditures for comparison with previous periods.

² Represents collections under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act.

³ Represents total collections under the Carriers Taxing Act and 10 percent of collections under the Railroad Unemployment Insurance Act (see table 2, footnote 5).

⁴ Excludes public-debt retirement. Based on checks cashed and returned to the Treasury.

⁵ Excludes funds for vocational rehabilitation program of the Office of Education and for disease and sanitation investigations of the Public Health Service (see table 3, footnote 1); also excludes grants to States for employment service administration under the Wagner-Peyser Act. Such grants are included in "all other." Also excludes administrative expenses incurred by the Treasury prior to July 1940 in administration of title II of the Social

Security Act and the Federal Insurance Contributions Act. Includes expenses incurred by the Social Security Board in administration of the Wagner-Peyser Act, beginning July 1940.

⁶ Includes expenditures for administration of railroad unemployment insurance, amounting to \$500,000 in 1938-39, \$5.0 million in 1939-40, \$3.4 million in 1940-41, and \$1,094,000 in 1941-42; also includes \$2,843,000 expended since April 1941 for acquisition of service and compensation data of railroad workers in accordance with Public Res. 102, approved Oct. 9, 1940.

⁷ Includes all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

⁸ Beginning July 1939, contains separate book account for railroad unemployment insurance account and for each State employment security agency.

⁹ Less than \$500,000.

¹⁰ Excludes amounts reimbursed to the Treasury for administrative expenses, which were part of transfer.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

August collections by \$8.9 million and November 1940 collections by \$43.3 million (table 2). Contributions for the first 2 months of the current quarter, amounting to \$214.1 million, already exceed the total collections for any previous quarter. State unemployment contributions for the first 2 months of the current quarter also

Table 2.—Social insurance taxes under selected programs, by specified period, 1936-41

Period	Old-age and survivors insurance		Unemployment insurance		
	Federal insurance contributions ¹	Taxes on carriers and their employes ²	State unemployment contributions ³	Federal unemployment taxes ⁴	Railroad unemployment insurance contributions ⁵
Cumulative through November 1941.....	\$2,956,197	\$561,523	\$4,110,592	\$473,521	\$137,080
Fiscal year:					
1936-37.....	194,346	345	(⁶)	7 57,751	-----
1937-38.....	514,406	150,132	(⁶)	90,104	-----
1938-39.....	530,358	109,257	803,007	100,869	-----
1939-40.....	604,694	120,967	853,955	107,523	49,167
1940-41.....	690,555	136,942	888,442	97,677	68,162
5 months ended:					
November 1939.....	290,689	34,231	409,879	22,147	691
November 1940.....	324,276	37,338	408,820	19,965	17,146
November 1941.....	421,838	43,880	528,723	19,597	19,751
1940					
November.....	125,124	4,804	85,117	7,998	868
December.....	3,141	29,166	12,464	558	16,331
1941					
January.....	33,923	604	129,532	12,082	44
February.....	134,433	5,414	88,561	53,475	569
March.....	2,588	28,951	6,867	918	16,739
April.....	39,228	1,371	127,940	2,447	70
May.....	149,679	7,979	105,763	7,453	957
June.....	3,286	26,120	8,495	780	16,306
July.....	44,815	872	146,570	2,234	50
August.....	150,525	5,638	107,460	7,477	573
September.....	3,366	31,111	6,781	910	18,103
October.....	45,674	1,058	148,239	2,169	86
November.....	168,458	5,202	119,673	6,808	939

¹ Tax effective Jan. 1, 1937, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. A, sec. 1426), payable by employers and employees.

² Tax effective Mar. 1, 1936, based on wages for employment as defined in Carriers Taxing Act, payable by carriers and employees.

³ Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. For differences in State rates, see p. 68, table 10, footnote 1. Data include contributions based on wages from railroad industry prior to July 1, 1939. Subsequent transfers from State accounts to railroad unemployment insurance account in unemployment trust fund, amounting to \$105.9 million as of Nov. 29, 1941, are not deducted. Figures reported by State agencies, corrected to Nov. 29, 1941.

⁴ Tax effective Jan. 1, 1936, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. C, sec. 1607), payable by employers only. Amounts represent Federal tax collections after deduction for amounts paid into State unemployment funds on covered wages earned in previous calendar year.

⁵ Tax effective July 1, 1939, based on wages for employment as defined in Railroad Unemployment Insurance Act, payable by employers only. Computed from data in Daily Statement of the U. S. Treasury. Represents 10 percent which is deposited with the Treasury and appropriated to railroad unemployment insurance administration fund for expenses of the Railroad Retirement Board in administering act, and 90 percent which is deposited in railroad unemployment insurance account in unemployment trust fund and is not included in receipts of general and special accounts of the Treasury. Amounts, therefore, differ from figures on p. 87, table 1, which represent only the 10 percent deposited with the Treasury.

⁶ Not available.

⁷ Includes \$40.6 million subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to Federal Government.

exceeded collections for any previous quarter. Collections of Federal unemployment taxes, on the other hand, showed a 15-percent decrease from November 1940. The collections of \$6.8 million reflected the usual increase which occurs in the second month of a quarter, but were below the 1940 figure because, beginning with 1940 pay rolls, the taxes were limited to the first \$3,000 of a worker's wages or salary whereas previously they had applied to all pay rolls.

Table 3.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act, by specified period, 1940-42¹

Item	Fiscal year 1940-41		Fiscal year 1941-42	
	Appropriations ²	Expenditures ³ through November	Appropriations ²	Expenditures ³ through November
Total.....	\$440,894	\$208,623	\$463,829	\$231,039
Administrative expenses.....	27,694	13,545	26,129	13,003
Federal Security Agency, Social Security Board ⁴	27,220	11,104	25,655	10,166
Department of Labor, Children's Bureau.....	364	149	364	155
Department of Commerce, Bureau of the Census.....	110	56	110	38
Department of the Treasury ⁵	(⁶)	2,236	(⁶)	2,644
Grants to States.....	413,200	195,078	437,700	218,035
Federal Security Agency.....	402,000	189,967	426,500	213,024
Social Security Board.....	391,000	184,808	415,500	207,469
Old-age assistance.....	245,000	120,738	270,000	136,770
Aid to dependent children.....	75,000	29,258	74,000	33,478
Aid to the blind.....	10,000	3,373	9,000	3,812
Unemployment compensation administration.....	61,000	7 31,439	62,500	7 33,409
Public Health Service:				
Public health work.....	11,000	5,159	11,000	5,556
Department of Labor, Children's Bureau.....	11,200	5,111	11,200	5,011
Maternal and child health services.....	5,820	2,621	5,820	2,501
Services for crippled children.....	3,870	1,730	3,870	1,734
Child welfare services.....	1,510	759	1,510	776

¹ Excludes some funds appropriated and expended under the Social Security Act, because they are not separated from other Federal funds for similar purposes. Such is the case with funds for vocational rehabilitation for which \$113,000 was appropriated for 1940-41 and \$112,000 for 1941-42 for administration in the Office of Education, and \$2 million for 1940-41 and \$2,650,000 for 1941-42 for grants to States. For disease and sanitation investigations of the Public Health Service, appropriations were \$1,625,000 for 1940-41 and \$1,665,000 for 1941-42 in addition to grants to States shown in this table.

² Excludes unexpended balance of appropriations for previous fiscal year.

³ Based on checks cashed and returned to the Treasury. Includes expenditures from reappropriated balance of appropriations for previous fiscal year.

⁴ Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of the Treasury. Includes amounts for administration of the Wagner-Peyser Act.

⁵ Represents amounts expended by the Treasury in administration of title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed to general fund of the Treasury.

⁶ Not available.

⁷ Includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program. Excludes grants to States for employment service administration under the Wagner-Peyser Act, for which \$5 million was appropriated in 1940-41 and \$3,100,000 in 1941-42.

Source: Various Federal appropriation acts (appropriations); Daily Statement of the U. S. Treasury (expenditures).

In November, the major business indexes which reflect economic developments influencing collections under the Social Security Act did not continue the rising trend which had existed almost constantly since January. The Federal Reserve Board's unadjusted index of industrial production remained at the October level of 167; the Bureau of Labor Statistics index of factory employment declined 0.8 point to 134.5, and the index of factory pay rolls declined 1.1 points to 165.5.

Federal expenditures under the Social Security Act for administration and grants to States, exclusive of funds for vocational rehabilitation, amounted to \$40 million in November, an increase of \$3 million over November 1940 (see tables 1 and 3). The total for the first 5 months of the current fiscal year exceeded similar expenditures in the corresponding period of 1940-41 by \$22 million and those in 1939-40 by \$65 million. Administrative expenditures declined during the 5 months, while expenditures for all grants-in-aid programs increased with the exception of grants for maternal and child health services.

Total Federal expenditures for November amounted to \$2,024 million, more than twice the amount for the same month of 1940. The excess of expenditures over receipts and the excess expenditures of \$484 million in the trust accounts is reflected in an increase of \$1,456 million in the public debt, and in a decrease of \$322 million in the general fund balance from October to November.

The combined investments of the old-age and survivors insurance trust fund and the unemployment trust fund, totaling \$5,242 million on November 29, comprised 9.6 percent of the interest-bearing public debt. The computed rate of interest on the interest-bearing public debt at the end of November, which determines the rate of interest on investments acquired by these funds in December, was 2.429 percent as compared with 2.465 percent at the end of October and 2.588 percent as of November 30, 1940.

Old-Age and Survivors Insurance Trust Fund

Total assets of the old-age and survivors insurance trust fund as of November 29, 1941,

Table 4.—Status of the old-age and survivors insurance trust fund, by specified period, 1936-41

[In thousands]

Period	Receipts ¹		Expenditures		Assets			
	Contributions appropriated to trust fund ²	Interest received ³	Benefit payments ⁴	Reimbursement for administrative expenses	Net total of special Treasury notes acquired ⁵	Cash with disbursing officer at end of period	Credit of fund account at end of period ⁶	Total assets at end of period
Cumulative through November 1941.....	\$1,109,979	\$143,404	\$139,594	\$50,151	\$2,536,000	\$15,631	\$217,005	\$2,768,637
Fiscal year:								
1936-37.....		2,262	27		267,100	73	62	267,235
1937-38.....		15,412	5,404		395,200	1,931	113,012	777,243
1938-39.....		26,951	13,892		514,900	3,036	66	1,180,302
1939-40.....		42,489	15,805		560,900	6,098	500	1,744,098
1940-41.....	688,141	55,958	64,342	26,840	642,500	10,778	6,238	2,397,615
5 months ended:								
November 1939.....			5,104		215,000	2,931	330,068	1,725,199
November 1940.....	321,862	201	20,285	11,477	127,800	10,640	158,760	2,035,000
November 1941.....	421,838	331	40,125	11,023	155,400	15,631	217,005	2,768,637
1940								
November.....	125,124	54	4,783	2,407	-5,000	10,640	158,760	2,035,000
December.....	3,141	171	5,169	2,438	150,900	10,416	3,789	2,030,706
1941								
January.....	33,923	164	5,422	2,095	-10,000	14,992	35,783	2,057,275
February.....	134,433	96	5,887	2,095	-5,000	14,101	168,221	2,183,822
March.....	2,588	241	6,718	2,126	159,800	12,262	4,246	2,177,808
April.....	39,228	239	6,751	2,203	-10,000	15,506	41,514	2,208,321
May.....	149,679	131	6,975	2,203	-5,000	13,527	189,126	2,348,953
June.....	3,286	54,715	7,135	2,203	234,300	10,778	6,238	2,397,615
July.....	44,815	9	7,465	2,201	-10,000	13,310	48,864	2,432,774
August.....	159,525	40	7,906	2,201	-10,000	15,400	206,231	2,582,231
September.....	3,366	81	8,060	2,201	195,400	12,332	7,084	2,575,417
October.....	45,674	88	8,289	2,210	-10,000	14,040	50,640	2,610,680
November.....	168,458	113	8,406	2,210	-10,000	15,631	217,005	2,768,637

¹ Transfers to trust fund from appropriations totaled \$1,705 million as of June 30, 1940; for fiscal year 1936-37, \$265 million was transferred; for 1937-38, \$387 million; for 1938-39, \$503 million; and for 1939-40, \$550 million.

² Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act.

³ Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

⁴ Based on checks cashed and returned to the Treasury.

⁵ Minus figures represent notes redeemed.

⁶ Prior to July 1940, includes balance of appropriation available for transfer.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

were \$2,769 million (table 4), an increase of \$158 million over the previous month. This increase reflects the large amount of tax collections under the Federal Insurance Contributions Act appropriated to the fund during the month and credited to the fund account, pending the usual end-of-quarter investment in special Treasury notes. As in October, \$10 million of 3-percent special Treasury notes were redeemed and the funds made available were deposited with the disbursing officer; the accrued interest on these notes, \$113,000, was credited to the fund account.

Benefit payments under the old-age and survivors insurance program continued to rise in November and amounted, on a checks-cashed basis, to \$8.4 million, an increase of 1.4 percent over the preceding month.

Railroad Retirement Account

In November, Treasury notes amounting to \$10.5 million were sold and, together with \$124,000 in interest, were transferred to the credit of the disbursing officer. During the month the Treasury paid out a net amount of \$10.4 million in benefit payments (table 5).

Assets of the account at the end of November totaled \$176.2 million, of which \$101.5 million was

invested in Treasury notes; cash credited to the disbursing officer totaled \$11.6 million, and \$63.1 million was held as credit to the appropriation account.

Unemployment Trust Fund

Deposits in State accounts in the unemployment trust fund were \$191.4 million in November (table 6), the largest monthly amount on record. Deposits for the first 5 months of the current fiscal year totaled \$526.4 million, an increase of 28.6 percent over the corresponding period of 1940-41 and of 29.4 percent over that of 1939-40. November withdrawals from State accounts for benefit payments showed a slight increase, the first since June, apparently in anticipation of lay-offs in some industries because of priority shortages. Total withdrawals in the first 5 months of the current fiscal year are less than 40 percent of the amount in the corresponding period of 1940-41. At the end of November all 51 jurisdictions had larger balances in their accounts in the unemployment trust fund than at the end of October.

Deposits in the railroad unemployment insurance account totaled \$845,000 in November. Benefit payments to railroad workers amounted to \$567,000, a decline of 7.8 percent from the previous month.

Table 5.—Status of the railroad retirement account, by specified period, 1936-41

[In thousands]

Period	Receipts			Transfers from appropriation to trust fund	Benefit payments ¹	Assets at end of period			
	Amount appropriated	Interest received	Total			3-percent Treasury notes	To credit of appropriation ²	To credit of disbursing officer	Total
Cumulative through November 1941.....	\$639,350	\$8,748	\$648,098	\$576,350	\$471,878	\$101,500	\$63,128	\$11,592	\$176,220
Fiscal year:									
Through June 1938.....	146,500	1,411	147,911	146,406	79,849	66,200	234	1,628	68,062
1938-39.....	118,250	2,202	120,452	107,004	105,774	67,200	13,206	2,334	82,740
1939-40.....	120,150	2,283	122,433	120,650	113,099	79,400	10,847	1,826	92,073
1940-41.....	\$113,600	2,534	116,134	124,350	121,174	74,000	2,503	10,530	87,033
1941-42 (through November).....	140,850	319	141,169	77,850	51,983	101,500	63,128	11,592	176,220
1940									
November.....				20,000	10,028	85,400	48,454	22,118	155,972
December.....				0	10,028	85,400	48,455	12,089	145,944
1941									
January.....				10,000	9,989	85,400	38,456	12,009	135,955
February.....				20,000	9,947	85,400	18,458	22,151	126,008
March.....				10,000	10,258	85,400	8,459	21,891	115,750
April.....				8,350	10,391	85,400	111	19,848	105,359
May.....		37	37	0	10,516	84,000	49	10,831	94,879
June.....		2,497	2,497	0	10,343	74,000	2,503	10,530	87,033
July.....	140,850		140,850	46,350	10,295	107,850	94,504	15,234	217,588
August.....		25	25	0	10,314	101,850	94,531	10,919	207,299
September.....		73	73	0	10,421	91,000	94,580	11,371	196,951
October.....		97	97	31,500	10,596	112,000	63,103	11,350	186,452
November.....		124	124	0	10,357	101,500	63,128	11,592	176,220

¹ Based on checks cashed and returned to the Treasury.

² Represents balances in appropriation and trust fund accounts, including net credit from adjustments such as cancellations and repayments.

³ Appropriation reduced by transfer of \$9 million in October 1940 to prior-

service account for collection of service and compensation data of railroad workers prior to 1937.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

The large excess of receipts over withdrawals resulted in an addition of \$168 million in investments of the unemployment trust fund and brought total investments to \$2,706 million.

Total assets of the fund as of November 29 reached the highest level to date—\$2,713 million, a 19-percent increase since June 30, 1941.

Table 6.—Status of the unemployment trust fund, by specified period, 1936-41¹

[In thousands]

Period	Total assets at end of period	Net total of special Treasury certificates acquired ²	Unexpended balance at end of period	Undistributed interest at end of period ³	State accounts				Railroad unemployment insurance account				
					Deposits	Interest credited	Withdrawals ⁴	Balance at end of period	Transfers from State accounts	Deposits	Interest credited	Benefit payments	Balance at end of period
Cumulative through November 1941.....	\$2,712,734	\$2,706,000	\$6,734	\$33	\$4,147,733	\$128,310	\$1,772,323	\$2,503,721	\$105,901	\$123,373	\$3,266	\$34,969	\$208,980
Fiscal year:													
1936-37.....	312,389	293,386	94	-----	291,703	2,737	1,000	312,389	-----	-----	-----	-----	-----
1937-38.....	884,247	859,705	12,247	-----	747,060	15,172	190,975	884,247	-----	-----	-----	-----	-----
1938-39.....	1,280,539	395,000	13,539	-----	811,251	26,837	441,795	1,280,539	-----	-----	-----	-----	-----
1939-40.....	1,724,862	443,000	14,862	-----	859,864	37,524	484,764	1,693,164	⁵ 1,801	44,249	202	14,552	31,699
1940-41.....	2,283,658	563,000	10,658	-----	892,023	45,893	537,343	2,093,737	⁵ 104,100	61,347	3,059	17,784	⁶ 189,921
5 months ended:													
November 1939.....	1,528,227	245,000	16,227	35	406,818	118	171,299	1,516,178	⁵ 599	15,622	(⁷)	4,206	⁷ 12,015
November 1940.....	1,939,111	224,000	5,111	68	409,456	133	301,421	1,801,331	⁵ 94,993	15,433	3	4,415	137,712
November 1941.....	2,712,734	433,000	6,734	33	526,374	55	116,446	2,503,721	0	17,777	5	2,632	⁶ 208,980
1940													
November.....	1,939,111	113,000	5,111	68	143,023	-----	29,863	1,801,331	1,014	781	-----	806	137,712
December.....	1,957,977	11,300	12,677	-----	12,819	21,509	30,826	1,804,833	1,452	14,698	1,016	1,733	153,144
1941													
January.....	1,995,108	29,000	20,808	12	68,204	-----	38,001	1,835,036	2,462	40	-----	3,085	⁶ 160,061
February.....	2,100,651	113,000	13,351	12	145,649	-----	40,426	1,940,259	2,467	512	-----	2,659	160,381
March.....	2,092,339	-10,000	15,039	-----	13,141	54	34,042	1,919,412	0	15,064	5	2,522	172,928
April.....	2,126,553	40,000	9,253	106	66,517	-----	33,440	1,952,489	⁵ 2,695	63	-----	1,728	173,958
May.....	2,263,477	137,000	9,177	106	166,135	-----	29,017	2,089,607	31	863	-----	1,088	173,764
June.....	2,283,658	18,700	10,658	-----	10,102	24,197	30,169	2,093,737	0	14,674	2,037	554	189,921
July.....	2,336,948	60,000	3,948	7	77,970	-----	28,276	2,143,431	0	45	-----	366	⁶ 193,509
August.....	2,488,016	146,000	9,016	7	175,928	-----	24,889	2,294,470	0	516	-----	487	⁶ 193,538
September.....	2,487,541	0	8,541	-----	7,446	55	23,670	2,278,301	0	16,293	5	596	209,240
October.....	2,541,283	59,000	3,283	33	73,654	-----	19,408	2,332,547	0	78	-----	615	208,703
November.....	2,712,734	168,000	6,734	33	191,377	-----	20,203	2,503,721	0	845	-----	567	⁶ 208,980

¹ Beginning July 1939, contains separate book account for railroad unemployment insurance account, in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Trust fund maintains separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments.

² Minus figures represent certificates redeemed.

³ Interest on redeemed Treasury certificates, received by fund at time of redemption but credited to separate book accounts only in last month of each quarter.

⁴ Includes transfers to railroad unemployment insurance account.

⁵ Includes amounts certified by the Social Security Board to the Secretary

of the Treasury in behalf of the State of Connecticut for payment into railroad unemployment insurance account in accordance with sec. 13 of the Railroad Unemployment Insurance Act.

⁶ Includes transfers from railroad unemployment insurance administration fund in accordance with amendments of Oct. 10, 1940, to the Railroad Unemployment Insurance Act amounting to \$7.5 million in January 1941, \$3.9 million in July 1941, and \$667 in August.

⁷ \$15 million was advanced by the Treasury to railroad unemployment insurance account in July 1939 pursuant to sec. 10 (d) of the Railroad Unemployment Insurance Act and was repaid during January 1940.

⁸ Less than \$500.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

Recent Publications in the Field of Social Security

SOCIAL SECURITY BOARD

Social Security Yearbook, 1940. (Annual supplement, for the calendar year 1940, to the *Social Security Bulletin*.) Washington: U. S. Government Printing Office, 1941. 347 pp., including 138 tables and 56 charts. 70 cents.

The 1940 *Yearbook* summarizes major socio-economic data derived from the operation of social security programs in the United States and continues, on a calendar-year basis, statistical series reported in the 1939 *Yearbook*, with additional data derived from new developments.

The volume includes articles on legal interpretations of certain factors affecting insurance coverage and benefits; administrative developments in public assistance under the Social Security Act; the number of persons receiving assistance and insurance payments under old-age security programs in relation to the total aged population; and State differences in economic and fiscal capacity. There is also summary discussion of benefits and beneficiaries under social insurance and related public programs, the relation of social security payments to all income payments in the United States, and the relation of Federal cash outgo for insurance and assistance programs to all Federal expenditures. A chronology of significant administrative and legislative developments in social security in 1940 carries forward the summary for 1934-39 which appeared in the 1939 *Yearbook*.

Detailed data on individual programs provide records of placements by the United States Employment Service and job seekers registered by this Service; the number and industrial distribution of workers in covered employment and the amounts of their wages; claims, benefit payments, and financial operations under the two social insurance programs established under the Social Security Act; and recipients and payments to recipients of public assistance and persons employed and earnings under Federal work programs. In addition, the section on public assistance includes text and tables on the distribution of payments by size of payment and on Federal, State, and local expenditures for special types of public assistance and general relief. Definitions of technical and statistical terms are given for each program.

Bibliographic notes, with citations of special articles and current data issued in the *Social Security Bulletin* and with keyed reference to a list of Board publications, are patterned after similar sections in the 1939 *Yearbook*.

Purchase orders for the *Social Security Yearbook, 1940*, accompanied by remittance, should be sent directly to the Superintendent of Documents, Government Printing Office, Washington, D. C. A limited supply of copies of the 1939 volume, the first yearbook issued by the Social Security Board, is also on sale by the Superintendent of Documents at 50 cents a copy. The public assistance section of the 1940 *Yearbook* has been preprinted and may be ordered separately from the Superintendent of Docu-

ments as *Public Assistance, 1940*, Public Assistance Report No. 1, Bureau of Public Assistance (41 pp.; 15 cents).

Free distribution of these publications is restricted to administrative and research personnel of official agencies directly concerned with the operation of the social security program. Requests for copies for such administrative use should be sent to the Social Security Board, Washington, D. C.

BUREAU OF EMPLOYMENT SECURITY. *Employment and Wages of Covered Workers in State Unemployment Compensation Systems, 1939.* Prepared by Research and Statistics Division. Washington: The Bureau, August 1941. 404 pp. Processed. (Employment Security Memorandum No. 17.)

Presents data on the United States labor market in 1939, based on regular reports "from every firm of any significant size in the major industries, except railroads," as to the number of workers employed and wages received. An introductory chapter describes significant developments during the year and explains the nature of the data. Analytical tables show employment of covered workers and wages earned in covered employment; monthly employment of covered workers and quarterly wages earned in covered employment, by industry divisions and significant industry groups, for each of the 51 States; and monthly employment and quarterly wages, by State, for each industry division and major industry group. The charts show, for each State, total covered employment from month to month in 1938 and 1939.

GENERAL

AMIDON, BEULAH. "Social Security Proposals." *Survey Midmonthly*, New York, Vol. 77, No. 11 (November 1941), pp. 323-324.

Some of the more important matters likely to be considered in any general modification in the social security programs.

AMIDON, BEULAH. "The Future of CCC and NYA." *Survey Midmonthly*, Vol. 44, No. 12 (December 1941), pp. 351-352.

BEVIN, ERNEST. *The Balance Sheet of the Future.* New York: McBride, 1941. 303 pp.

Speeches of the English Minister of Labor and National Service arranged according to related economic and political subjects. The speeches advocate world-wide social security as a war aim and include material on British war-time mobilization of labor and industry.

"Canada Adopts Exemplary Program for Demobilized Men." *Social Security*, New York, Vol. 15, No. 9 (December 1941), pp. 1, 4.

The Canadian plan for protection against unemployment and for the rehabilitation and reestablishment in normal pursuits of men now in the armed service.

CANTREL, HADLEY. *The Psychology of Social Movements*. New York: John Wiley & Sons, 1941. 274 pp.

Develops certain concepts of social movements and analyzes five contemporary movements, including the Townsend Plan, which is discussed as to its origin, social setting, values, types of supporters, and reasons for its growth.

GALLOWAY, GEORGE B., and Associates. *Planning for America*. New York: Holt, 1941. 713 pp.

Discusses resources, economic, social, area, and defense planning. Some papers included are Employment Planning, by Gustav Peck; Public Works Planning, by John Bauer; Planning for Health, by Dorothy F. Holland; Social Security, by Ewan Clague; and Employment and Economic Progress, by George B. Galloway.

"Insecurity Under the Social Security Act." *University of Chicago Law Review*, Chicago, Vol. 9, No. 1 (December 1941), pp. 127-140. (Notes.)

Critical comment on the grounds upon which the Social Security Board "has disapproved State plans or changed the methods of administering them, and the power of the Board under the act to refuse certification or withhold funds on the grounds it does."

LOPES, R. PAULA. "Social Problems and Legislation in Brazil." *International Labour Review*, Montreal, Vol. 44, No. 5 (November 1941), pp. 493-537.

LORWIN, LEWIS L. *National Planning in Selected Countries*. Washington: U. S. Government Printing Office, 1941. 173 pp. Processed. (National Resources Planning Board, Technical Paper No. 2.)

Contains four parts: Public Works and Employment Planning in Germany, 1933-39; Wartime Planning in Germany, 1939-40; Stabilization Planning in Sweden, 1929-39; National Planning in Latin America.

MARASSE, DORIS BRIN. "Agency: Independent Contractors in California." *California Law Review*, Berkeley, Vol. 30, No. 1 (November 1941), pp. 57-70. (Comment.)

Based chiefly on cases under the Workmen's Compensation Act of California.

PAN AMERICAN UNION. *Labor Trends and Social Welfare in Latin America: 1939-1940*. Washington: Pan American Union, Division of Labor and Social Information, 1941. 69 pp. Processed.

Data for 18 countries on social security measures; labor codes, hours of work, wages, cost of living, and related matters.

"Resolution on Social Security as Passed by the Congress of American Industry." *Economic Security Bulletin*, New York, Vol. 5, No. 11 (December 1941), p. 1.

Among the recommendations are those opposing the levying of defense taxes "under the guise of social security"; urging State control of unemployment compensation and

the retention of experience rating; and limiting old-age assistance to payments on the basis of need.

SHOUR, CARL. *The Prospects for a Study of the Economic Effects of Payroll Taxes*. Washington: Committee on Social Security, Social Science Research Council, November 1941. 74 pp. (Pamphlet Series No. 9.)

"This report is concerned with the economic effects of the pay-roll taxes by means of which the old-age and survivors insurance benefits and the unemployment compensation payments are being financed in the United States. The report does not describe the economic effects; instead, it explores the possibility of doing so." The author defines the problem and studies tests for obtaining a satisfactory answer to the question, "Would it be feasible for anyone to undertake, with a reasonable prospect of success, a study or studies of the economic effects of the pay-roll taxes?" Obstacles to answering the question are noted, and work already done on the economics of pay-roll taxation is analyzed. The appendixes include data on the taxes and on related points.

"Stabilization of Prices and Wages in Canada." *Labour Gazette*, Ottawa, Vol. 41, No. 11 (November 1941), pp. 1362-1373.

Includes speeches by Canadian officials on recent price and wage stabilization measures, and gives the text of the orders establishing Government control.

SWIFT, ARTHUR L., JR. *Make Your Agency More Effective; A Manual for Institutional Self-Study*. New York: Association Press, 1941. 322 pp.

For agencies whose activities fall within the definition of group work of a certain type, namely, groups of voluntary membership, such as religious organizations and clubs, settlement and community houses, Boy Scouts, Girl Scouts, and 4-H clubs.

OLD-AGE AND SURVIVORS INSURANCE

PARKER, J. S. "The Federal Old-Age Insurance System; Effect of an Old-Age Reserve Upon Commercial Insurance Companies." *Dynamic America*, New York, Vol. 13, No. 6 (December 1941), pp. 15-18.

Examines some of the arguments against a reserve fund for old-age and survivors insurance and undertakes to show that many of the supposed differences between social insurance and private life insurance have no basis in fact.

U. S. BUREAU OF THE CENSUS. *Financing State and City Pensions; Receipts, Payments, and Assets of Pension Funds of States and of Cities Over 100,000 Population: 1938*. Washington: The Bureau, 1941. 82 pp. (State and Local Government, Special Study No. 15.)

An examination of the public-employee pension systems of States and cities of 100,000 population, for the year 1938. The information provided is valuable "in considering the desirability of extending the Social Security Act to public employees," and "in appraising the functioning of public pension systems for the purpose of improving those systems now maintained by State and local governments and

of administering pension systems hereafter established." It presents in detail the basis for financing pensions, pension-fund receipts and payments, assets of pension funds, and State administration of local pensions, and summarizes pension transactions.

EMPLOYMENT SECURITY

ALBRIGHT, R. MAYNE. "The Job Outlook—In Defense Work and Later." *North Carolina Employment Security Information*. Raleigh, Vol. 1, No. 11 (November 1941), pp. 3 ff.

COOMBS, P. H. "1940 Benefit Payments—Duration and Weekly Benefit Amount." *South Dakota Unemployment Compensation Comments*, Aberdeen, Vol. 2, No. 11 (November 1941), pp. 12-14. Processed.

GAINSBURGH, M. R.; WHITE, I. J.; and COBBS, JOHN L., III. "Labor Force Under Defense." *Conference Board Economic Record*, New York, Vol. 3, No. 22 (Nov. 25, 1941), pp. 499-503.

HART, L. LANE. "What We Have Learned About Domestic Placement." *Jobs* (Mississippi Unemployment Compensation Commission), Jackson, Vol. 4, No. 4 (Nov. 29, 1941), pp. 3 ff.

MISSOURI. UNEMPLOYMENT COMPENSATION COMMISSION. *Placement Trends During 1940 and Through August 1941, Showing Impact of the National Defense Program Upon the Labor Market in Missouri*. Prepared by Department of Research and Statistics. Jefferson City, Nov. 1, 1941. 19 pp. Processed. (Special Statistical Bulletin No. 3.)

MISSOURI. UNEMPLOYMENT COMPENSATION COMMISSION. *Time-Lapse Between End of Benefit Period and Date of Benefit Payment in the Case of Inter- and Intrastate Claims for 1940 and First Half of 1941, by Quarter*. Prepared by Department of Research and Statistics. Jefferson City, Dec. 4, 1941. 18 pp. Processed. (Special Statistical Bulletin No. 4.)

NEW YORK. DEPARTMENT OF LABOR. "Benefits and Employment Rise Concurrently in Utica; A Study in the Relation of Benefit Payments to Employment Trends, Utica District, April-September 1940." *Employment Review*, Albany, Vol. 3, No. 9 (September 1941), pp. 427-430. Processed.

NEW YORK. DEPARTMENT OF LABOR. "Current Trends in Labor Demands in Defense Industries." *Employment Review*, Albany, Vol. 3, No. 10 (October 1941), pp. 459-464. Processed.

Considers New York State labor-market trends in relation to training problems.

NEW YORK. DEPARTMENT OF LABOR. "New York City's Day-Work Offices; Experience in Meeting the Problem of Street-Corner Markets for Household Workers." *Employment Review*, Albany, Vol. 3, No. 10 (October 1941), pp. 468-475. Processed.

"1941 Jobless Insurance Acts Merely Boost Benefits." *Social Security*, New York, Vol. 15, No. 9 (December 1941), pp. 1 ff.

A review of legislative changes in the State unemployment compensation systems.

STOCKING, COLLIS. "Organizing the Labor Market for Defense." *Economic Security Bulletin*, New York, Vol. 5, No. 11 (December 1941), pp. 6-8.

What the United States Employment Service is doing to meet special requirements for war needs, and how employers can assist.

WASHINGTON. OFFICE OF UNEMPLOYMENT COMPENSATION AND PLACEMENT. *Seasonal Agricultural Labor Demand in the State of Washington During 1941*. Prepared by Research and Statistics Section. Place not given, July 15, 1941. 30 pp. Processed.

PUBLIC WELFARE AND RELIEF

AMERICAN ASSOCIATION OF WORKERS FOR THE BLIND. *Proceedings of the Nineteenth Biennial Convention . . . Indianapolis, Indiana, July 7-11, 1941*. Place not given, 1941. 232 pp.

Included in this collection of committee reports, administrative data, and papers are the following addresses: Next Steps in Providing Public Assistance to the Blind, by Peter Kasius; Prevention of Blindness Developments in the United States, by Eleanor Brown Merrill; Rehabilitation of the Blind, by John A. Kratz; and Advantages of Integrating Services for the Blind With Other Social Services, by Gwen Hardin.

APTEKAR, HERBERT H. *Basic Concepts in Social Case Work*. Chapel Hill: University of North Carolina Press, 1941. 201 pp.

This volume of orientation in the psychology of social case work is based upon the author's "understanding and adaptation of the psychotherapeutic philosophy of Otto Rank." Chapters of exposition and illustration are devoted to the following topics: ambivalence, will and denial, relationship, movement, projection and identification, interpretation and recognition, the case work situation, focus and level, and generic and specific case work. Two previously published papers are also included, one on Causality and Treatment, the other on Meaning and Process in Social Case Work.

BROWN, JAMES. *The History of Public Assistance in Chicago, 1833 to 1893*. Chicago: University of Chicago Press, 1941. 183 pp. Processed. (Social Service Monographs.)

A study of Chicago's early "county and municipal services concerned with the relief of destitution" and of the city's private institutions for child care, covering the period from 1833 to 1893.

CARROLL, MONROE S. "The Audit of Social Agencies." *Social Forces*, Baltimore, Vol. 20, No. 2 (December 1941), pp. 214-218.

Based on a study of the audit of some 65 social agencies in Chicago.

COMMUNITY CHESTS AND COUNCILS, INC. *A Survey of the Community Welfare Organizations of Warren, Ohio*,

Social Security

Made . . . Under the Auspices of the Warren Community Fund. Warren, Ohio, 1941. 111 pp. Processed.

HALL, BEATRICE. "Some Social Considerations in the Provision of Maternity Care at Public Expense." *The Child*, Washington, Vol. 6, No. 3 (September 1941), pp. 66-70.

Comment on the maternity care provided under the New York State relief program in 1935 and 1936, as revealed in the Children's Bureau study of experience in six counties.

"Is Public Assistance a Social Handicap to the Blind?"—
"As Viewed by a Public Agency," by George F. Meyer;
"As Viewed by a Private Agency," by Peter J. Salmon. *Outlook for the Blind*, New York, Vol. 35, No. 4 (October 1941), pp. 163-168.

LOUISIANA. STATE DEPARTMENT OF PUBLIC WELFARE. *Standards for Children in Foster Care*. Baton Rouge, 1941. 64 pp.

Standards of care for children in institutions, for child-placing agencies, and for children in foster homes. Includes a suggested outline for the content of case histories, excerpts from relevant laws of the State, and a bibliography.

LUTZ, E. A. *Rural Public-Welfare Administration and Finance in New York*. Ithaca: Cornell University Agricultural Experiment Station, June 1941. 72 pp. (Bulletin No. 760.)

A review of the organization, administration, and financing of rural public welfare in New York State. Much of the analysis is based on an intensive study of eight counties.

MIDDELCAMP, FLORENCE M. "Social Security—Old Age Assistance—Effect of Voluntary Support of Applicant by Children." *University of Kansas City Law Review*, Kansas City, Vol. 10, No. 1 (December 1941), pp. 63-64. (Recent decisions.)

A note on *Smith v. State Social Security Commission*, 153 S. W. (2d) 741 (Mo. App. 1941).

PIERSON, HARRY E. "The Changing Relief Picture." *Tax Digest*, Los Angeles, Vol. 19, No. 12 (December 1941), pp. 406-407.

Summarizes recent trends in California.

REED, BERNICE I. "Active Research in a Local Agency." *Public Welfare News*, Chicago, Vol. 9, No. 11 (November 1941), pp. 2-4. Processed.

The work of the Division of Social Studies, created July 1, 1941, within the Denver Bureau of Public Assistance.

SAVAGE, PAUL. "Tuberculosis in Families Receiving Public Assistance." *Tennessee Public Welfare Record*, Nashville, Vol. 4, No. 11 (November 1941), pp. 2-3.

SHERWOOD, CHARLES L. *Ohio's Welfare Department and National Defense*. Columbus, June 24, 1941. 8 pp. Processed.

A radio address by the State Director of Public Welfare.

SPRINGER, GERTRUDE, and CLOSE, KATHRYN. "Relief in These Times." *Survey Midmonthly*, New York, Vol. 77, No. 11 (November 1941), pp. 315-321.

Factual data on relief throughout the country.

U. S. CHILDREN'S BUREAU. *The Community Welfare Picture as Reflected in Health and Welfare Statistics in 34 Urban Areas, 1940; A Summary of Expenditures for Health and Welfare Activities and of Reports of Cases Dealt With in the Fields of Relief and Child Care*. Washington: The Bureau, 1941. xlv, 42 pp. Processed.

Continues a 1938 report on the same subject, both representing the Children's Bureau project for the registration of social statistics.

WEIGEL, JOHN C. *A Manual of Business Methods for the Institutions and Divisions of the Department of Public Welfare*. Chicago: Illinois Department of Public Welfare, 1941. xlviii, 499 pp.

This volume, based on the author's work as fiscal supervisor of the Department, "represents the complete reconstruction of the business methods, policies, and procedures of the Illinois Department of Public Welfare." Its six parts, illustrated with 131 specimen forms, are: The Books of Records and Accounts; Control of the Tax-Dollar: Appropriations; Control of Miscellaneous Collections and the Petty Cash Fund; Control of Trust Funds: The Patients' Trust Fund; The Amusement Fund; The Commissary Fund; Accounting for Patients' Personal Property; Control of Bequest Funds; and General Office Control; The Fiscal Supervisor. An appendix contains schedules and legal and bibliographical material.

HEALTH AND MEDICAL CARE

AMERICAN ASSOCIATION FOR ADULT EDUCATION. *Health of the Nation; A Defense Digest*. New York: The Association, 1941. 19 pp.

Some health problems for military and industrial defense centers, with notes on existing and proposed programs for their solution.

AMERICAN ASSOCIATION OF MEDICAL SOCIAL WORKERS. *Administrative Elements in Medical Social Work . . . Three papers . . .* Menasha, Wis. George Banta Publishing Co., 1941. 30 pp.

Contains the following papers, presented at the June 1941 meeting of the Association at Atlantic City: Administration, A Component of Service, by Robert T. Lansdale; Problems in Administration of Medical Social Work in Hospitals, by Ethel Cohen; and Problems of Social Work Administration in Public Hospitals, by Irene Grant.

AMERICAN DENTAL ASSOCIATION. NATIONAL HEALTH PROGRAM COMMITTEE. *Programs for Dental Health*. [Chicago: The Association, 1941.] 48 pp.

The place of dentistry in a national health program, the different methods of paying for dental care, and existing State and Federal health-work and dental programs.

AMERICAN PUBLIC HEALTH ASSOCIATION. COMMITTEE ON THE HYGIENE OF HOUSING. *Housing for Health*. Lancaster, Pa.: Science Press Printing Company, 1941. 221 pp.

Technical papers, most of which were presented at the 1939 and 1940 conferences of the Milbank Memorial Fund at special symposia on housing and health, including papers on Health and Housing, by C.-E. A. Winslow; and Social Effects of Good Housing, by F. Stuart Chapin. An appendix gives the second edition of Basic Principles of Healthful Housing, by the Committee.

BRINTON, HUGH P. "Regional Variation in Disabling Sickness Among a Group of Negro Male Railroad Employees." *Social Forces*, Baltimore, Vol. 20, No. 2 (December 1941), pp. 264-270.

BRITTEN, ROLLO H. "Blindness, As Recorded in the National Health Survey—Amount, Causes, and Relation to Certain Social Factors." *Public Health Reports*, Washington, Vol. 56, No. 46 (Nov. 14, 1941), pp. 2191-2215.

FAULKNER, E. J. "Compulsory Health Insurance—Pro and Con." *The Spectator*, Philadelphia, Vol. 147, No. 12 (Dec. 4, 1941), pp. 6-9 ff.

HARDY, MARTHA CRUMPTON; BOYLE, H. H.; and NEWCOMB, ALVAH L. "Physical Fitness of Children From Different Economic Levels in Chicago." *Journal of the American Medical Association*, Chicago, Vol. 117, No. 25 (Dec. 20, 1941), pp. 2154-2161.

KLEIN, HENRY, and PALMER, CARROLL E. "The Disparity Between Dental Need and Dental Care in School Children of Hagerstown, Md., and Environs." *Journal of the American Dental Association*, Chicago, Vol. 28, No. 9 (September 1941), pp. 1489-1498.

LADOCEUR, F. "Presidential Address to the Ontario Health Officers Association." *Canadian Public Health Journal*, Toronto, Vol. 32, No. 11 (November 1941), pp. 539-550.

Includes information on health conditions during 1941 in Norway, Denmark, Holland, Belgium, and France.

MORRISON, J. C. "Hospital-Medical Plan Gains Momentum in N. Y." *Medical Economics*, Rutherford, N. J., Vol. 19, No. 3 (December 1941), pp. 41 ff.

A description of the recently organized Community Ward Service Plan of medical care for New York City and 12 adjoining counties.

MOUNTIN, JOSEPH W. "A Plea for Unity in Health Administration at the State Level." *Journal of the American Medical Association*, Chicago, Vol. 117, No. 23 (Dec. 6, 1941), pp. 1958-1961. (Discussion, pp. 1961-1962.)

OSEROFF, ABRAHAM. "Hospital Care Insurance and Hospital Financing." *Hospitals*, Chicago, Vol. 15, No. 12 (December 1941), pp. 97-100.

ROREM, C. RUFUS. "Current Problems of Blue Cross Plans." *Hospitals*, Chicago, Vol. 15, No. 12 (December 1941), pp. 75-78.

The present scope of nonprofit hospital-service plans, the factors underlying their growth, and some problems of administration and public policy.

U. S. FARM SECURITY ADMINISTRATION. *Group Medical Care for Farmers*. Washington: U. S. Government Printing Office, 1941. 14 pp. (Farm Security Administration, Publication 75.)

Explains in nontechnical terms the medical-care work of the FSA and contains statistical information on "a typical medical-care plan" in the Midwest.

CONTENTS

for

FEBRUARY 1942

	Page
SOCIAL SECURITY IN REVIEW.....	1
MEASURING THE EFFECT OF DEFENSE EMPLOYMENT ON RELIEF LOADS, by Walter M. Perkins.....	5
SERVICE ASPECTS OF PUBLIC ASSISTANCE ADMINISTRATION FACILITATING REHABILITATION OF PERSONS IN NEED, by Lucille Martin Smith.....	10
PHYSICAL CONDITION AND MEDICAL SUPERVISION OF NEARLY TWO MILLION AGED PERSONS, by Anne E. Geddes.....	15
PUBLIC ASSISTANCE:	
Monthly data on the special types of public assistance, general relief, and Federal work programs.....	25
EMPLOYMENT SECURITY:	
Operations of the employment security program.....	36
Characteristics of placements, third quarter, 1941.....	51
Financial transactions, fourth quarter, 1941.....	55
Railroad unemployment insurance.....	59
OLD-AGE AND SURVIVORS INSURANCE:	
Operations under the Social Security Act.....	63
Operations under the Railroad Retirement Act.....	68
SOCIAL AND ECONOMIC DATA:	
Social security and other income payments to individuals.....	71
Amendments to the Civil Service Retirement Act.....	77
Financial and economic data.....	80
RECENT PUBLICATIONS:	
Recent publications in the field of social security.....	90
State employment security reports received.....	94
State periodicals in the field of employment security.....	97